

Review of Colorado and United States Economy

Based on October Employment Data



cber.co

Colorado-based Business and Economic Research

Prepared

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Overview

The recovery is uneven across industries and regions because of the difference in leadership, policies, management of C-19, business mix, and business and regulatory environments.

The U.S. sentiment indices and economic indicators have generally pointed to continued improvement in the economy. Colorado is recovering at a faster rate than the U.S., based on its unemployment rate and employment recovery rate.

The recovery is slower than desired, but faster than anticipated. U.S. employment for October was 93.7% of December 2019. Colorado employment for October was 95.5% of December.

In the U.S. and Colorado, there are fears of additional lockdowns because the virus cannot be contained. In addition, there are concerns about the transition in leadership. With good fortune, the virus will subside and/or be contained by medical treatments and the transition will be positive for the economy.

United States and Colorado

- Real GDP -- United States and Colorado
- Change in Employment-- United States and Colorado
- Unemployment Rate, Rate by State. Labor Force Participation Rate and JOLTS
- Wages – United States and Colorado
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Colorado

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- Colorado Metrics

Summary – United States and Colorado

Real Gross Domestic Product

United States And Colorado

Key Points

There was a severe decline in real GDP growth in Q2 2020, followed by stronger growth in Q3. In Q4, weaker growth is projected.

The annual real GDP rate is anticipated to be -3.5% for 2020. Personal consumption will be -4.4%.

The annual real GDP rate is projected to be 3.5% for 2021. Personal consumption will be 4.0%.

U.S. Real GDP Growth

The Conference Board Forecast (November 14, 2020)

2020

The Conference Board November 14 base scenario forecast shows an increase in real GDP of 33.1% in Q3 2020. A slower rate of growth, 2.2%, is expected in Q4 as spending stalls and the personal savings rate remains elevated. Real GDP growth for 2020 will be -3.6%, with personal consumption of -4.0%. The October forecast is more optimistic than in previous months. For example, earlier this year, the Q4 forecast called for negative real GDP growth.

2021

The best-case scenario projects a return to December 2019 real GDP growth in Q1 2022, the base scenario says it will occur in Q4 2021, and the downside forecast says the return will be in Q2 2022. After a challenging winter, the base scenario will pick up in Q2 2021 and be much stronger in the second half of 2021. In 2021, real GDP growth will increase by 3.4% and personal consumption will rise by 4.2%.

Conference Board 2020 US Real GDP Growth Forecast											
	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	2019	2020	2021
Real GDP	- 5.0%	- 31.4%	33.1%	2.2%	0.7%	3.5%	6.0%	4.5%	2.2%	- 3.5%	3.4%
Personal Consumption	- 6.9%	- 33.2%	40.7%	1.6%	1.0%	3.9%	7.1%	4.9%	2.4%	- 4.0%	4.2%
Residential Investment	19.0%	- 35.5%	59.3%	15.0%	7.0%	6.0%	5.0%	5.0%	-1.7%	4.5%	9.7%
Real Capital Spending	- 6.7%	- 27.2%	20.3%	5.6%	3.5%	3.7%	4.5%	4.8%	2.9%	- 4.7%	3.8%
Exports	- 9.5%	- 64.4%	59.7%	9.1%	3.0%	5.1%	7.1%	5.1%	-0.1%	- 13.6%	3.5%

Source: The Conference Board and cber.co.

Source: The Conference Board, <https://www.conference-board.org/publications/Economic-Forecast-US>, cber.co.

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Change in Employment

United States and Colorado

Key Points

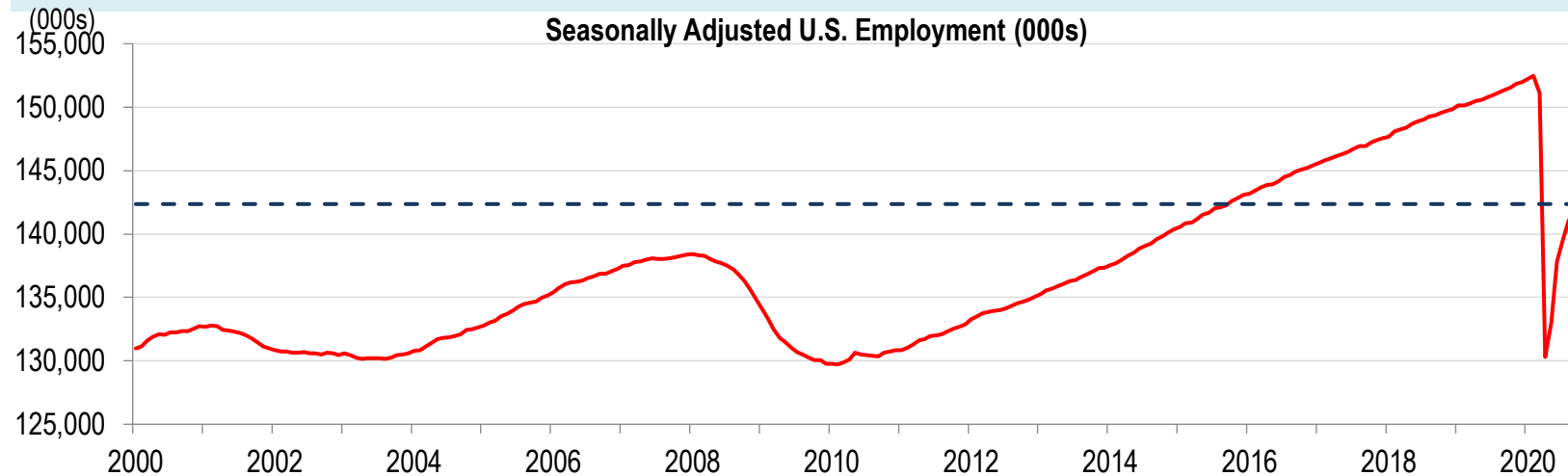
The recovery in wage and salary employment is continuing at a faster rate in Colorado than the U.S.

Employment is increasing unevenly across all NAICS sectors.

Research has determined which jobs are more appropriate for WFH.

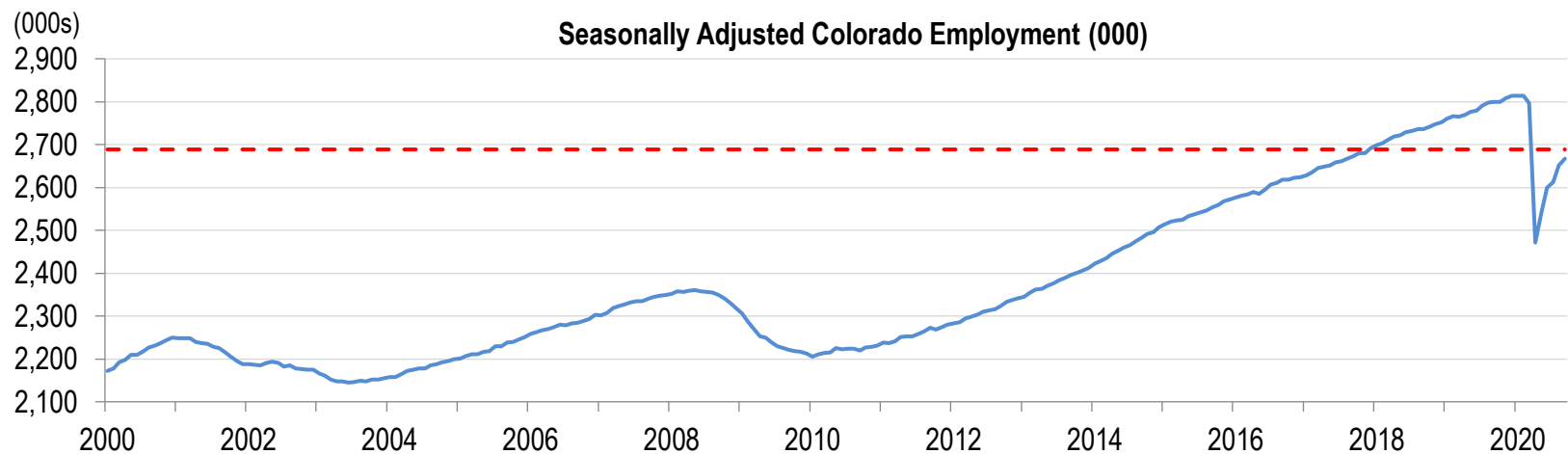
Seasonally Adjusted Wage and Salary Employment

United States vs. Colorado



United States

U.S. seasonally adjusted wage and salary employment for October was 142.4 million (blue dotted line). October employment was 93.7% of the December 2019 total; there were 9.6 million fewer jobs in October. By comparison, U.S. employment in April (the trough) was 85.7% of December 2019 employment (152.0 million).



Colorado

Colorado seasonally adjusted wage and salary employment for October was 2.69 million (red dotted line). October employment was 95.5% of the December 2019 total; there were 125,400 fewer jobs in October. By comparison, Colorado employment in April (the trough) was 87.8% of December 2019 employment (2.81 million).

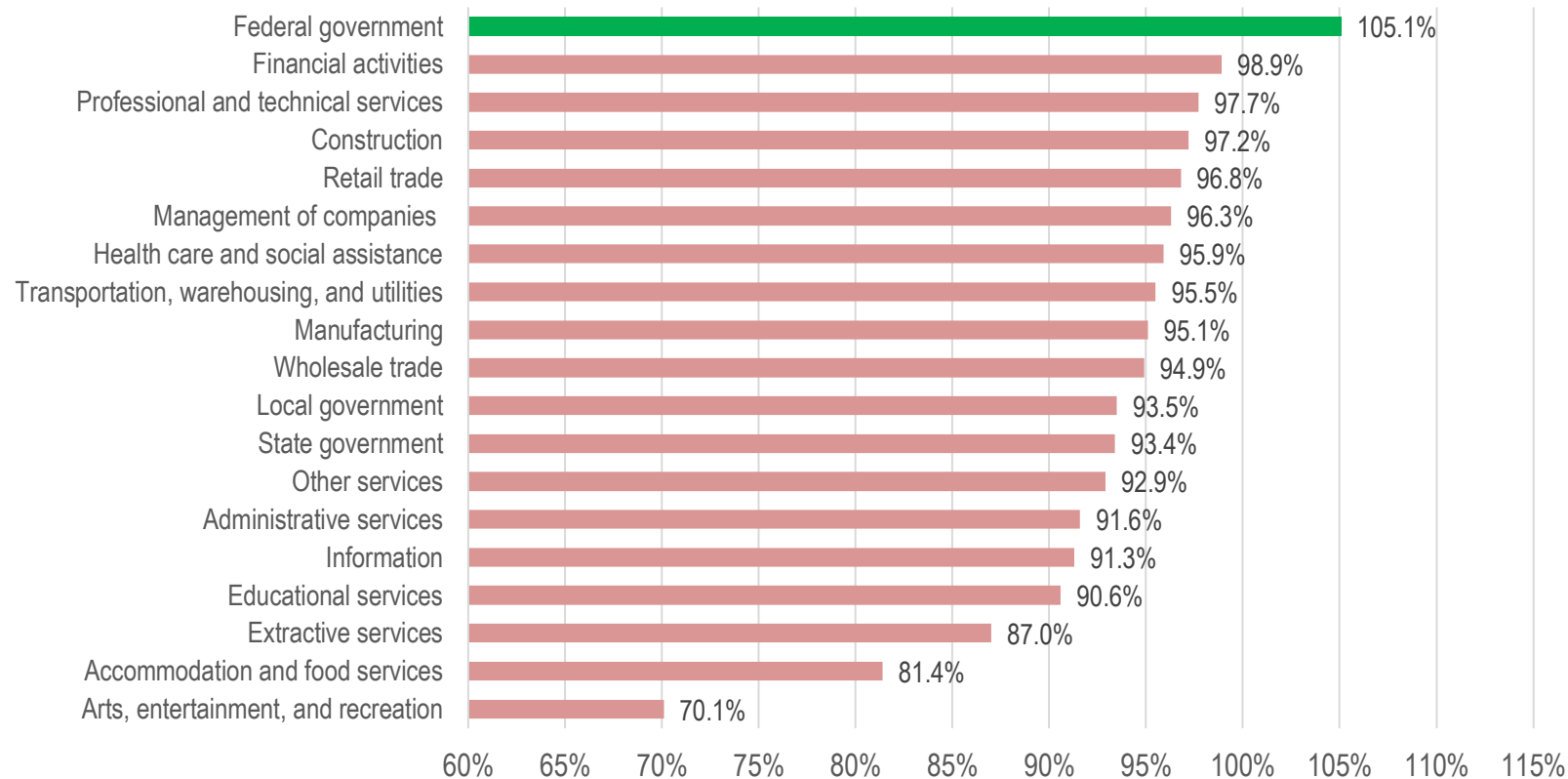
Source: Bureau of Labor Statistics and cber.co.

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Percentage U.S. Employment Recovery by Sector

October 2020 as Percent of December 2019

Recovery by Sector



Recovery

This chart shows October 2020 sector employment as a percentage of December 2019 sector employment to illustrate the difference in the sector rate of recovery. Overall, October employment was 93.7% of December.

Leaders and Laggards

October employment for the federal government is greater than December 2019. Other top sectors include financial activities, PST, and construction.

The sectors that are a drag on the recovery are leisure and hospitality (AFS and AER), extractive industries, educational services, information, administrative services, and other services.

Source: Bureau of Labor Statistics and cber.co.

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Share of Jobs That Can be Done at Home

United States

Share of Jobs that can be Done at Home		
Sector	Unweighted	Weighted by Wage
Educational Services	83%	71%
Professional, Scientific, and Technical	80%	86%
Management of Companies	79%	86%
Finance and Insurance	76%	86%
Information	72%	80%
Wholesale Trade	52%	67%
Real Estate and Rental and Leasing	42%	54%
Federal, State, and Local Government	41%	47%
Utilities	37%	41%
Other Services	31%	43%
Administrative Services	31%	43%
Arts, Entertainment, and Recreation	30%	36%
Extractive Industries	25%	37%
Health Care	25%	24%
Manufacturing	22%	36%
Transportation and Warehousing	19%	25%
Construction	19%	22%
Retail Trade	14%	22%
Agriculture	8%	13%
Accommodation and Food	4%	7%

Source: Dingel and Neiman and cber.co.

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Which Jobs Can be Done at Home?

The impact of the lockdowns last spring varied by industries, occupations, geographic regions, and policy. On June 19, 2020, Jonathan Dingel and Brent Neiman from the University of Chicago published the paper, “How Many Jobs Can be Done at Home?”

The authors identified occupations that could be performed at home. Next, they determined the relationship between the occupations and NAICS codes. The table on the left includes their results.

The right-hand column includes jobs weighted by occupation wages. There was no weighting for the jobs in the left-hand column.

The table does not consider whether the jobs were classified as essential or nonessential.

Unemployment Rate, Unemployment Rate by State, Labor Force Participation Rate, JOLTS United States and Colorado

Key Points

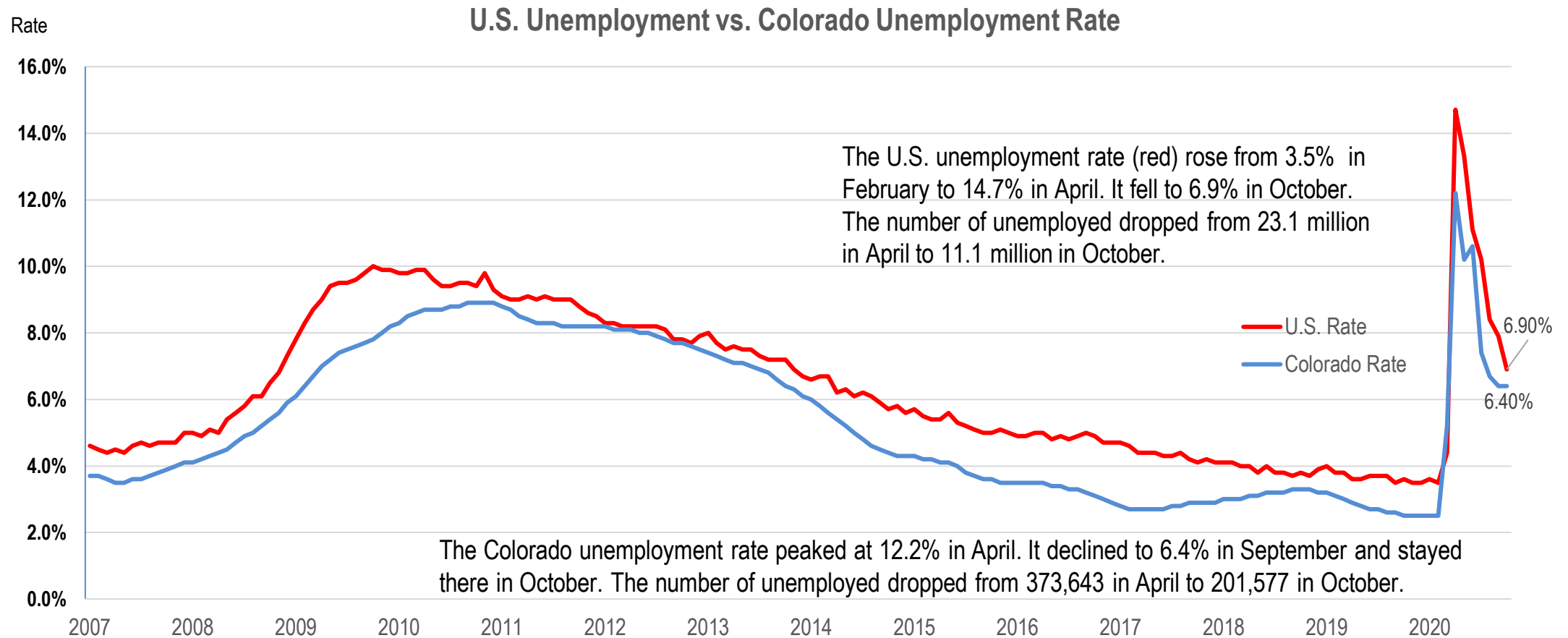
In October, the U.S. unemployment rate fell to 6.9%, and the Colorado rate dropped to 6.4%.

In October, 35 states had unemployment rates at or below the U.S. rate (6.9%). Only two states had double-digit unemployment rates.

The U.S. men's and women's labor force participation rates increased after bottoming out in April.

Job openings have gradually increased since April. They increased at a faster rate than separations.

U.S. and Colorado Unemployment Rate



Source: Bureau of Labor Statistics and cber.co.

Unemployment Rates by States

October 2020

Unemployment Rate < 5.6%		
Rank	State	October
1	Nebraska	3.0%
2	Vermont	3.2%
3	Iowa	3.6%
4	South Dakota	3.6%
5	Utah	4.1%
6	New Hampshire	4.2%
7	South Carolina	4.2%
8	Georgia	4.5%
9	Minnesota	4.6%
10	Missouri	4.6%
11	North Dakota	4.8%
12	Montana	4.9%
13	Indiana	5.0%
14	Kansas	5.3%
15	Virginia	5.3%
16	Maine	5.4%
17	Idaho	5.5%
18	Michigan	5.5%
19	Wyoming	5.5%

Unemployment Rate Between 5.6% and 6.9%		
Rank	State	October
20	Delaware	5.6%
21	Ohio	5.6%
22	Wisconsin	5.7%
23	Alabama	5.8%
24	Alaska	5.9%
25	Washington	6.0%
26	Connecticut	6.1%
27	Oklahoma	6.1%
28	Arkansas	6.2%
29	North Carolina	6.3%
30	Colorado	6.4%
31	West Virginia	6.4%
32	Florida	6.5%
33	Illinois	6.8%
34	Oregon	6.9%
35	Texas	6.9%

In October, the U.S. unemployment rate dropped to 6.9%. Thirty-five states had unemployment rates of 6.9% or less (green).

Thirteen states had an unemployment rate of 5.0% or less. Only two states have unemployment rates in double digits.

About 22% of the U.S. labor force is located in the 19 states with unemployment rates less than 5.6% (column 1).

About 39% of the U.S. labor force is located in the 16 states with unemployment rates between 5.6% and 6.9% (column 2).

About 39% of the U.S. labor force is located in the 15 states and DC with unemployment rates greater than 6.9% (column 3).

The states with the largest labor forces are CA, TX, FL, NY, PA, IL, OH, GA, NC, and MI. About 53% of the U.S. labor force resides in these 10 states.

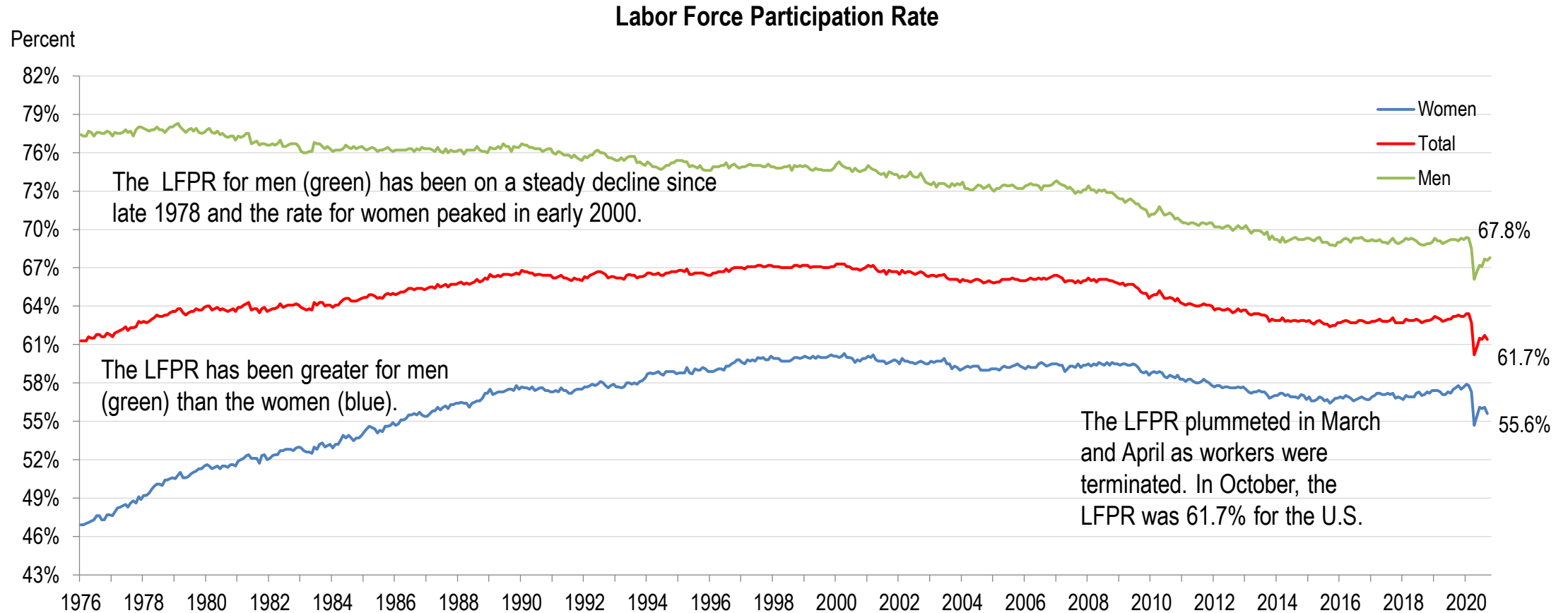
Unemployment Rate is > 6.9%		
Rank	State	October
36	Rhode Island	7.0%
37	Pennsylvania	7.3%
38	Kentucky	7.4%
39	Massachusetts	7.4%
40	Mississippi	7.4%
41	Tennessee	7.4%
42	Maryland	7.8%
43	Arizona	8.0%
44	New Mexico	8.1%
45	District of Columbia	8.2%
46	New Jersey	8.2%
47	California	9.3%
48	Louisiana	9.4%
49	New York	9.6%
50	Nevada	12.0%
51	Hawaii	14.3%

Source: Bureau of Labor Statistics, cber.co.

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Labor Force Participation Rate (LFPR)

United States Men and Women

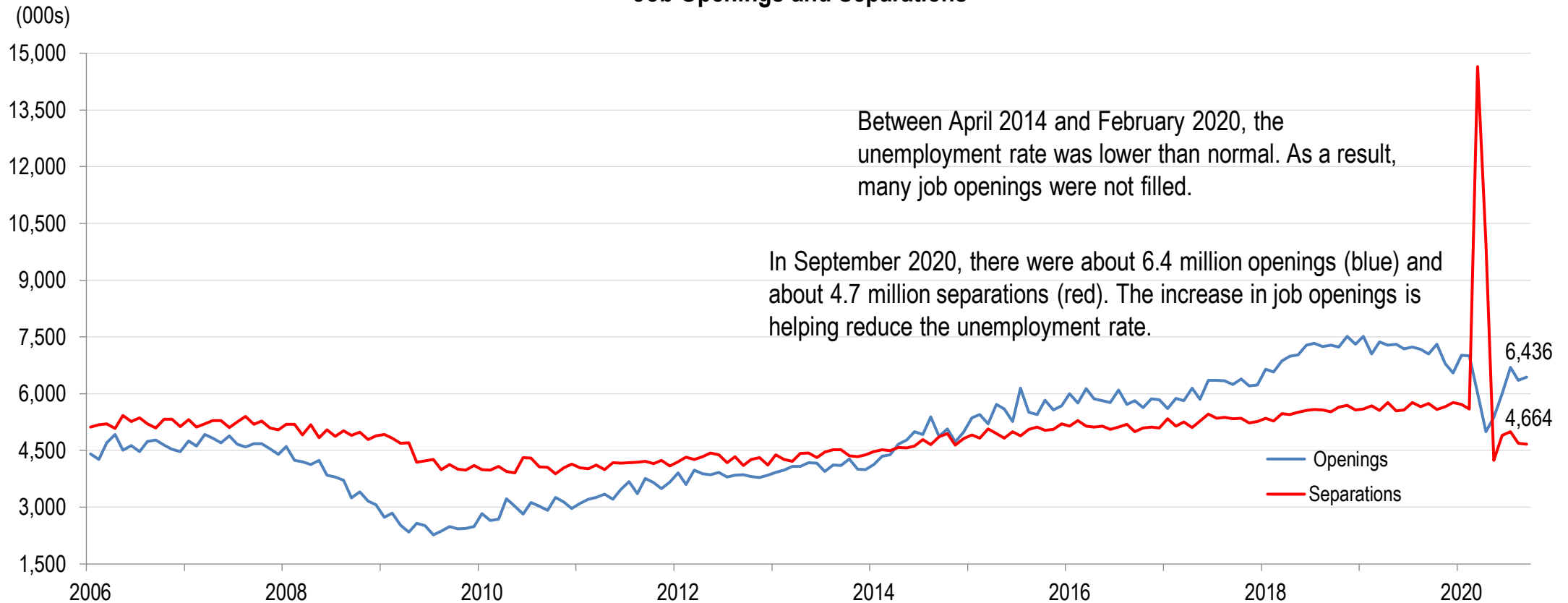


Source: FRED, BLS, cber.co.

Job Openings and Separations (JOLTS)

United States

Job Openings and Separations



Source: BLS, JOLTS cber.co.

Wages

United States

Key Points

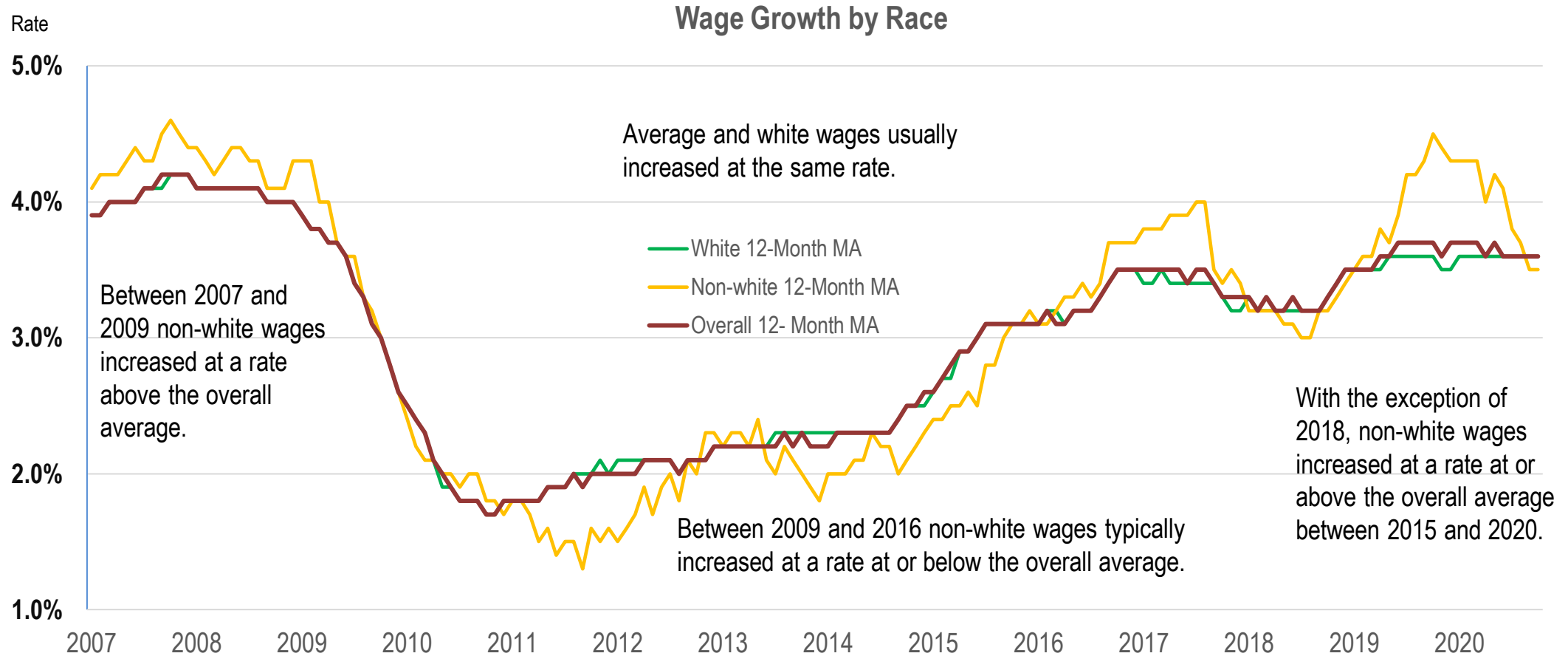
Between 2015 and 2020, non-white wages usually increased at a rate at or above the overall average.

Since 2011, low skill wages have increased at a slower rate than mid or high skill wages.

High skill wages typically grew at a rate faster than other categories. Since 2015 wages in non-MSA areas have increased at a slower rate than in MSA areas.

Wage Growth by Race

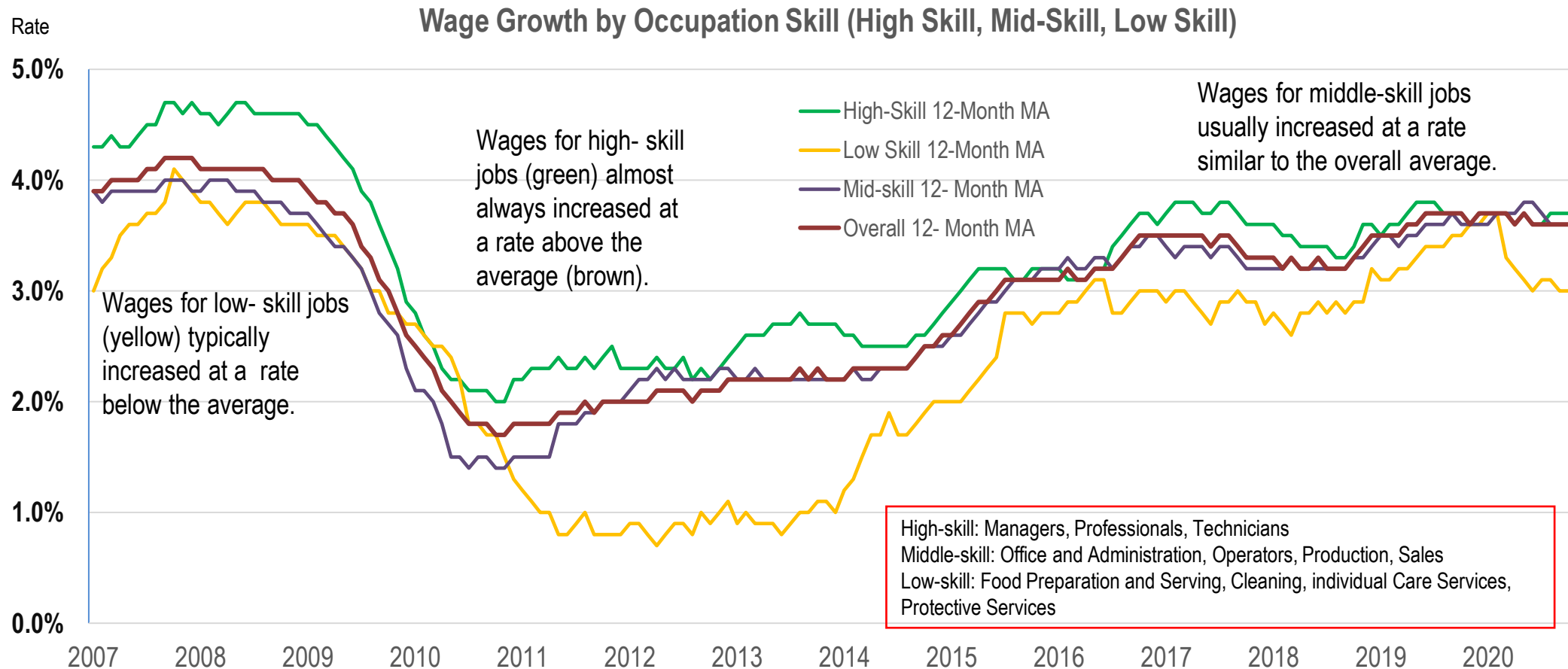
12 Month Moving Average of Wage Growth



Source: Atlanta Federal Reserve and cber.co.

Wage Growth by Occupation Skill Level

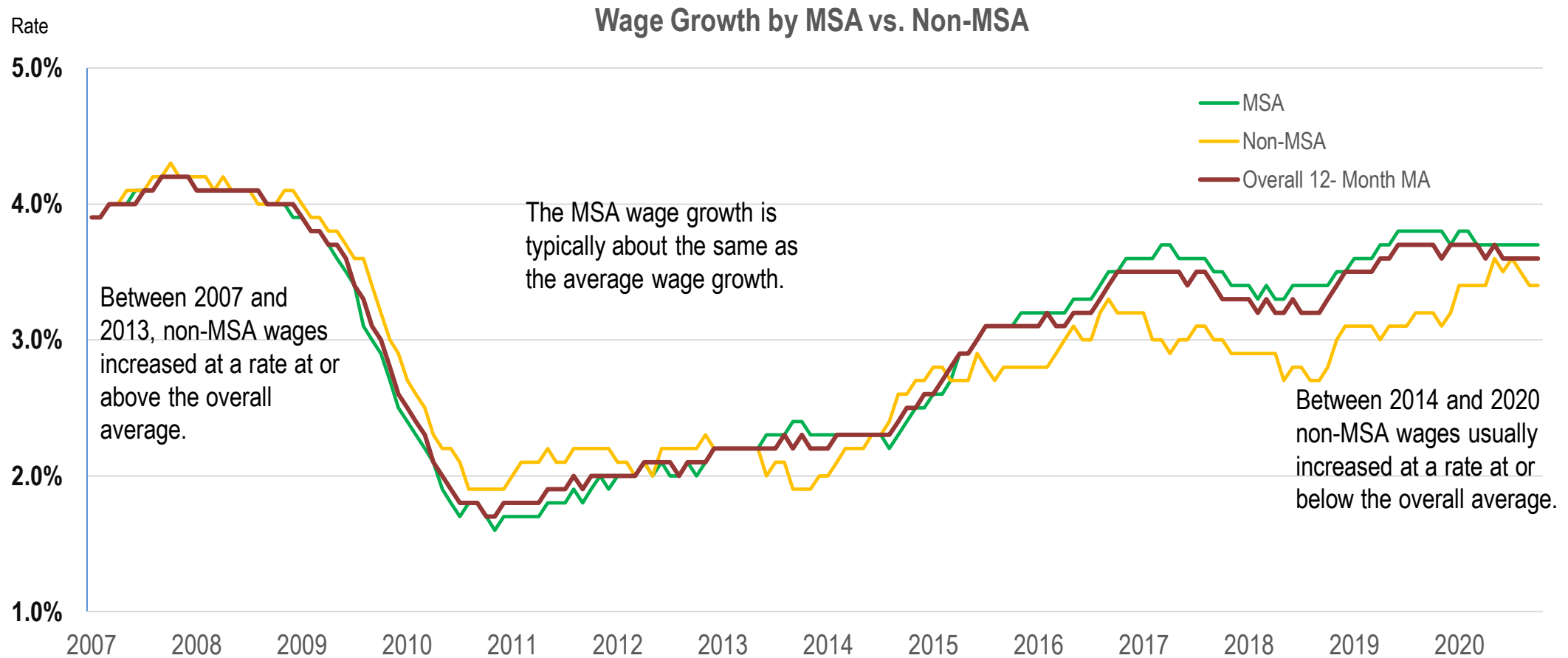
12 Month Moving Average of Wage Growth



Source: Atlanta Federal Reserve and cber.co.

Wage Growth by MSA vs. Non-MSA

12 Month Moving Average of Wage Growth



Source: Atlanta Federal Reserve and cber.co.

Business Applications

United States and Colorado

Key Points

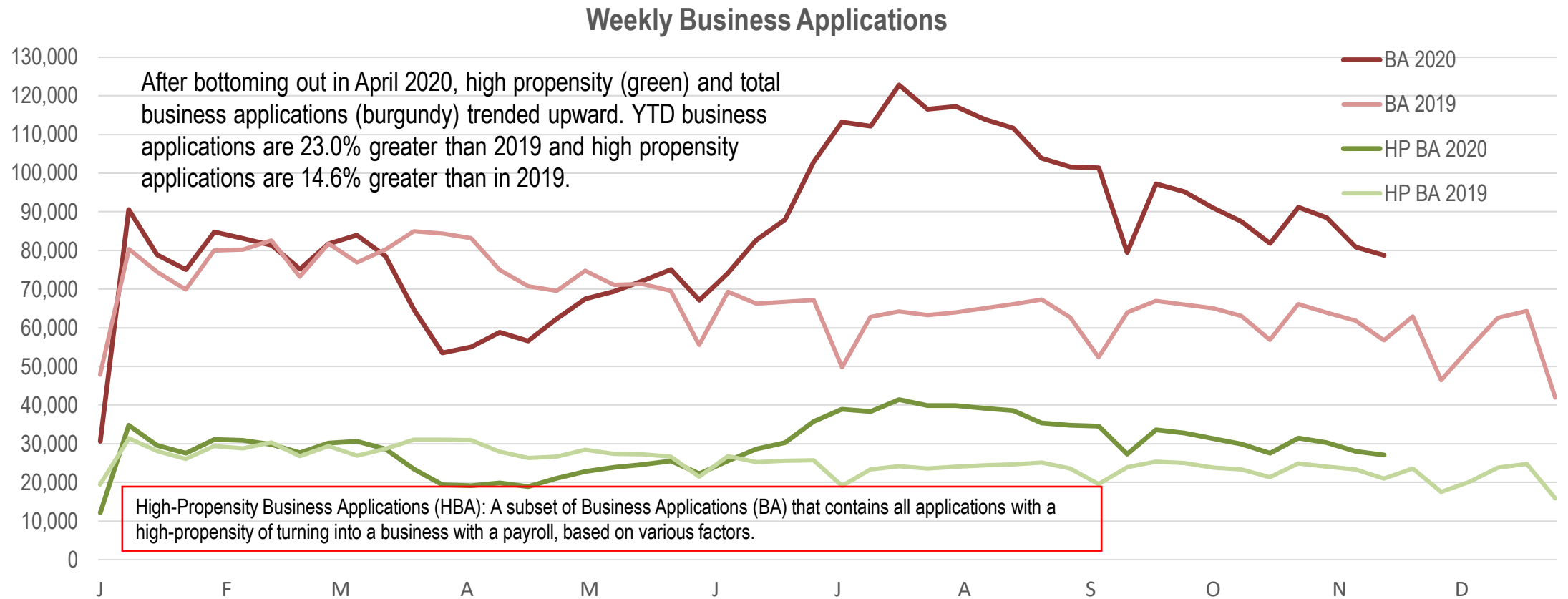
Compared to 2019, U.S. business applications have increased at a faster pace since May, and high propensity applications have increased at a greater rate since June.

Compared to 2019, total business applications and high propensity applications for Colorado have increased at a faster rate since June.

U.S. applications have increased at a greater rate than Colorado applications.

U.S. Weekly Business Applications

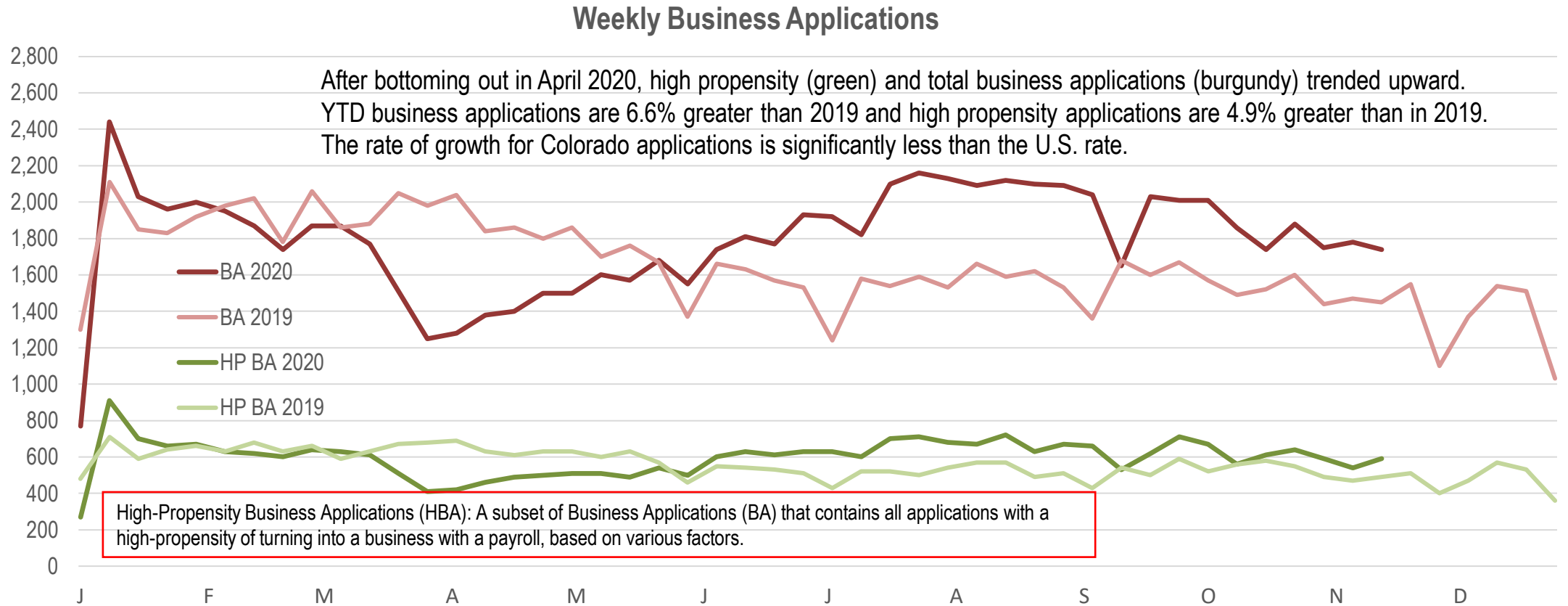
Total and High Propensity 2019 vs 2020



Source: FRED, U.S. Census Bureau, cber.co.

Colorado Weekly Business Applications

Total and High Propensity 2019 vs 2020



Source: FRED, U.S. Census Bureau, cber.co.

Production and Income

Industrial Production, Change in Real Disposable Personal Income and Personal Savings Rate

Key Points

Industrial production continued to rebound as business conditions improved.

In past recessions, the service sector has outperformed the goods-producing sector. That has not been the case in 2020.

Real disposable income (RDI) is stronger than expected.

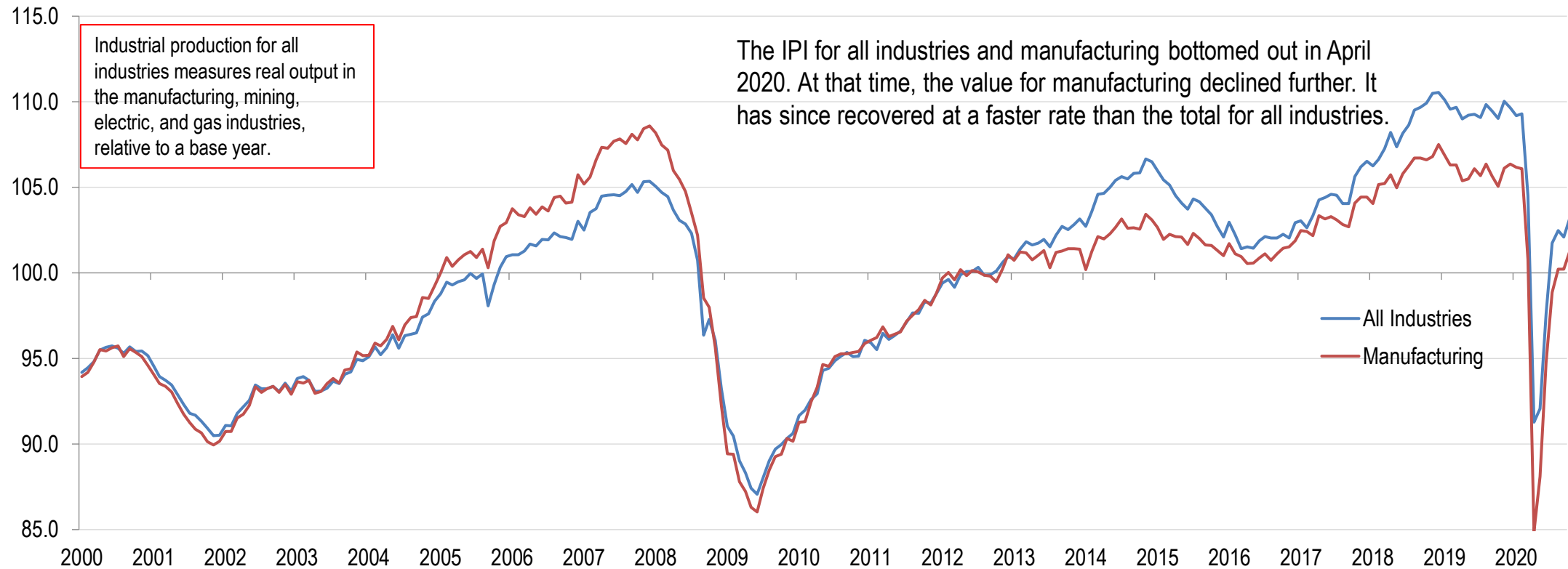
It is a mixed blessing that the personal savings rate increased significantly during the pandemic. On the downside, it means consumers are spending less.

Industrial Production Index

All Industries and Manufacturing

Industrial Production, All Industries and Manufacturing

Index, 2012 = 100



Industrial production for all industries measures real output in the manufacturing, mining, electric, and gas industries, relative to a base year.

The IPI for all industries and manufacturing bottomed out in April 2020. At that time, the value for manufacturing declined further. It has since recovered at a faster rate than the total for all industries.

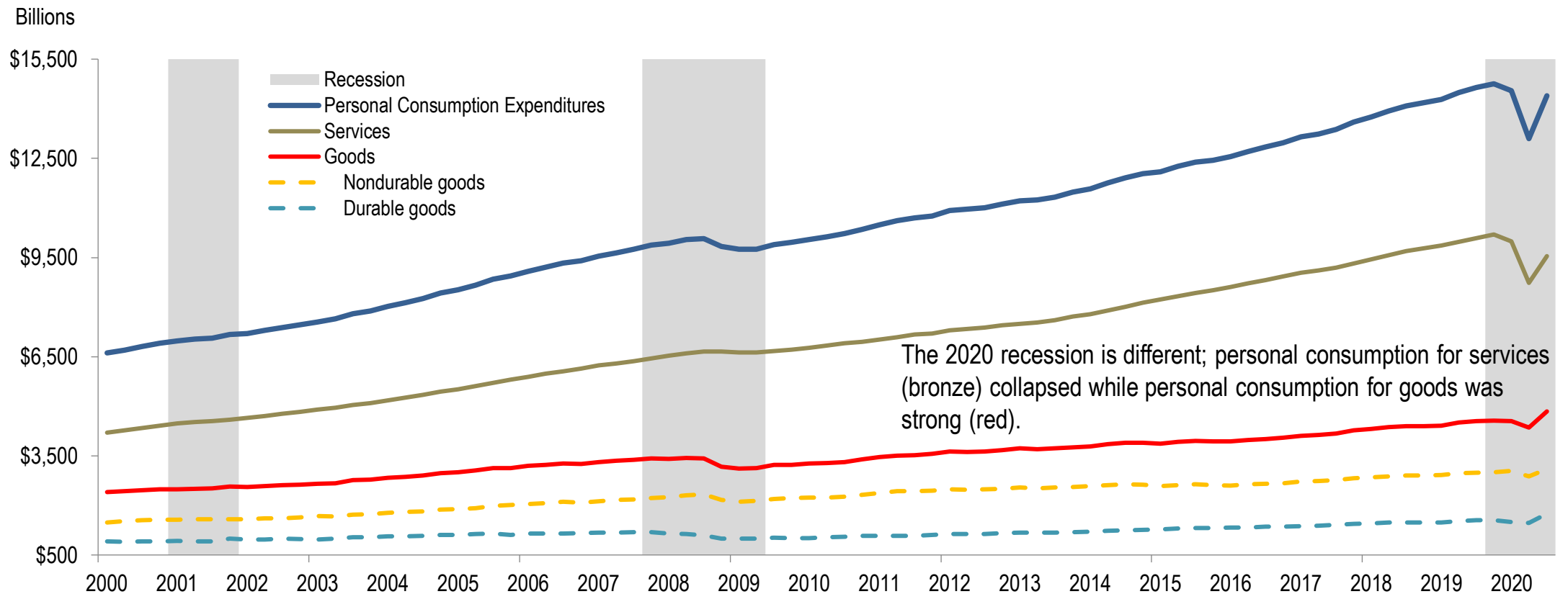
— All Industries
— Manufacturing

Source: FRED, Federal Reserve, SA, cber.co.

Personal Consumption Expenditures

United States Goods and Services

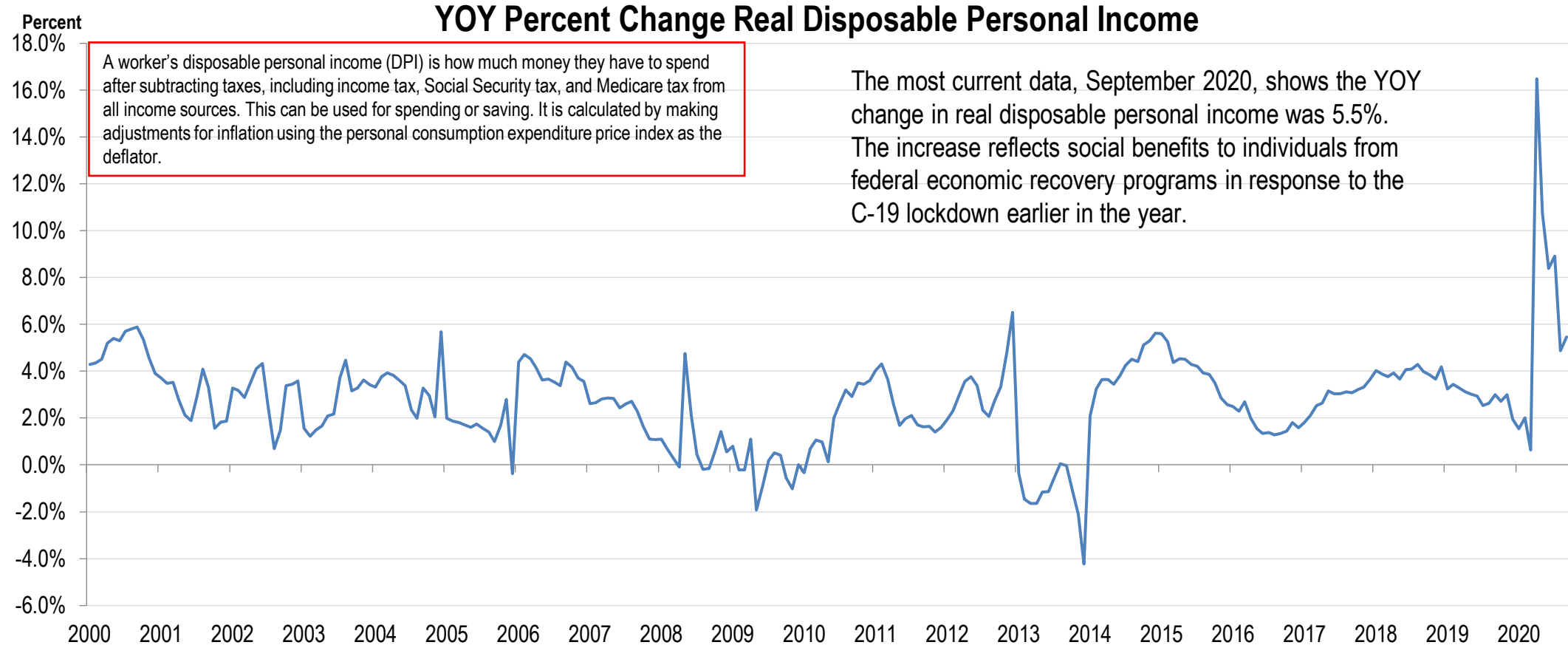
Personal Consumption Expenditures



Source: BEA, cber.co.

Real Disposable Personal Income

Percent Change Prior Year



Source: BEA, FRED, SA.

U.S. Personal Savings Rate

Percentage of Disposable Personal Income



Source: FRED, SA.

Major Sentiment Indices

Consumer Sentiment Index, NFIB Small Business Optimism Index, and Manufacturing and Services PMI Indices

Key Points

The Michigan Consumer Sentiment Index has not rebounded as quickly. It declined in November based on concerns about the economy.

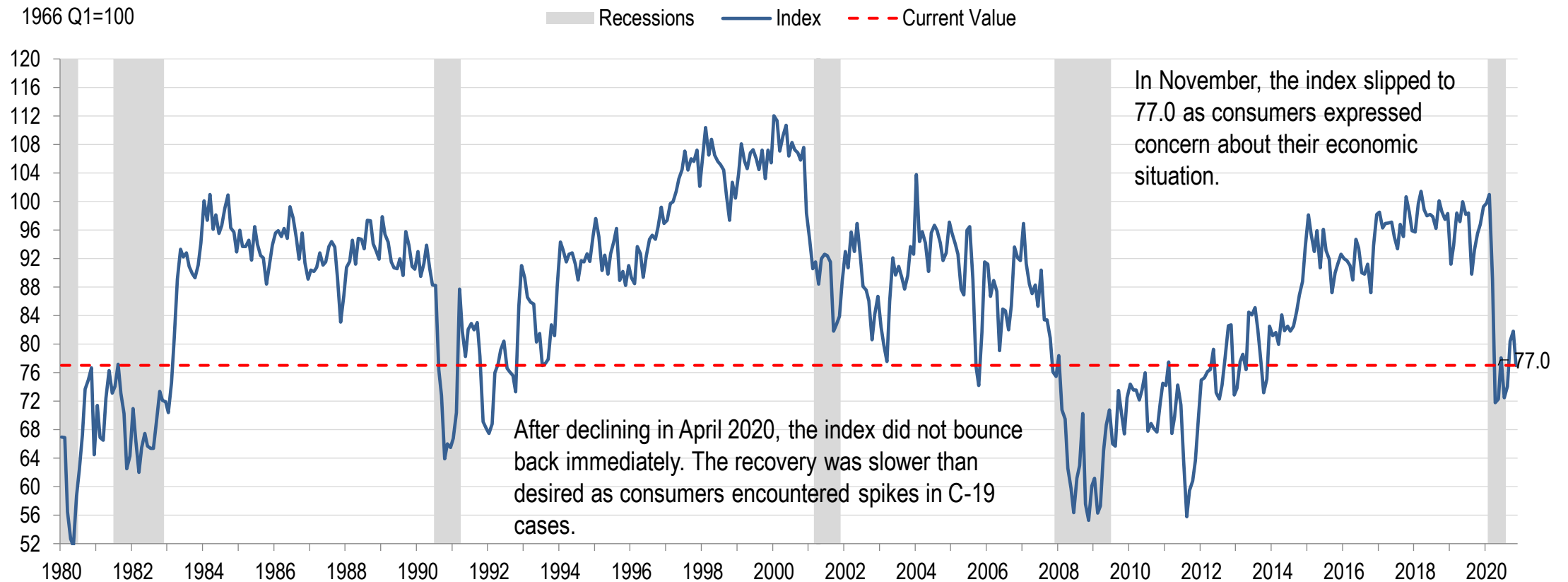
The Small Business Optimism Index was flat in October.

Manufacturing and services purchasing managers are optimistic about the future. The industries are in expansionary territory, although the service industry appears to be more cautious in the near term.

Consumer Sentiment Index

University of Michigan

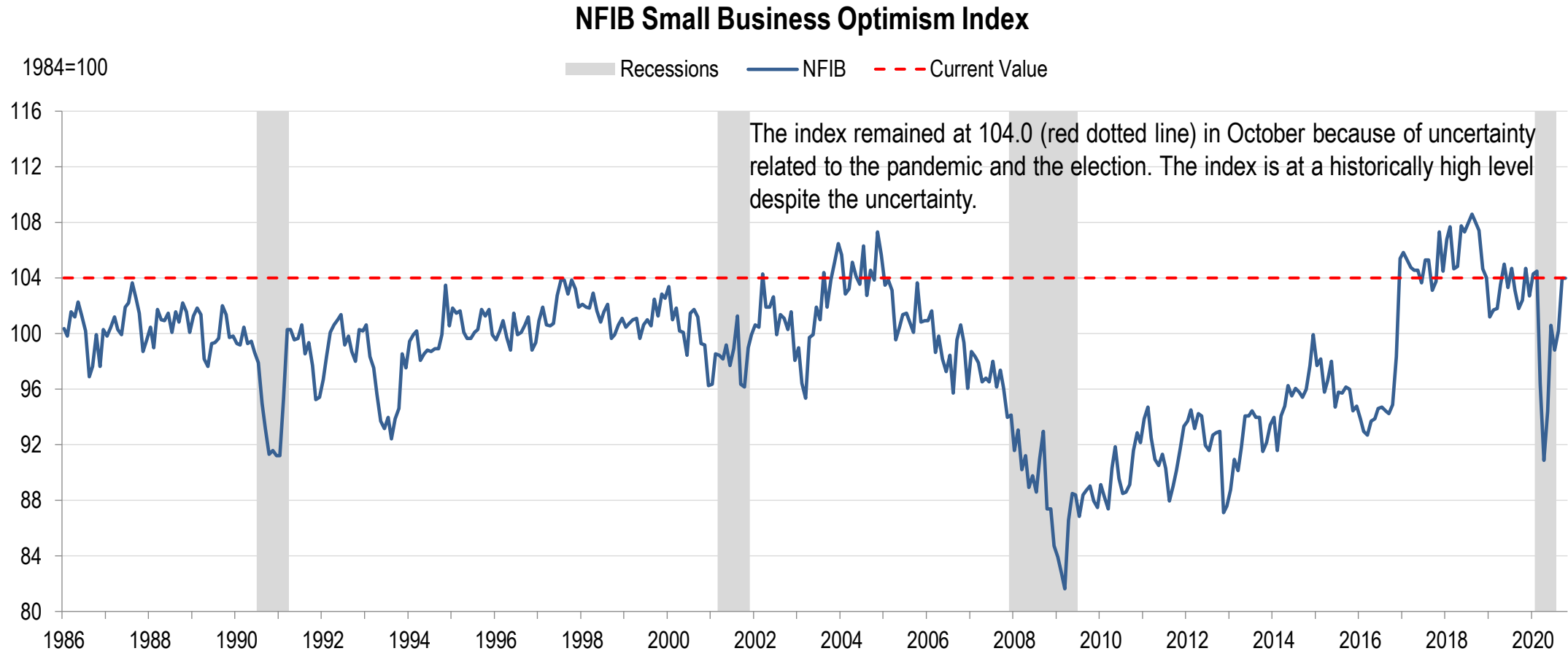
Michigan Consumer Sentiment Index



Source: University of Michigan, cber.co.

NFIB Small Business Optimism Index

United States

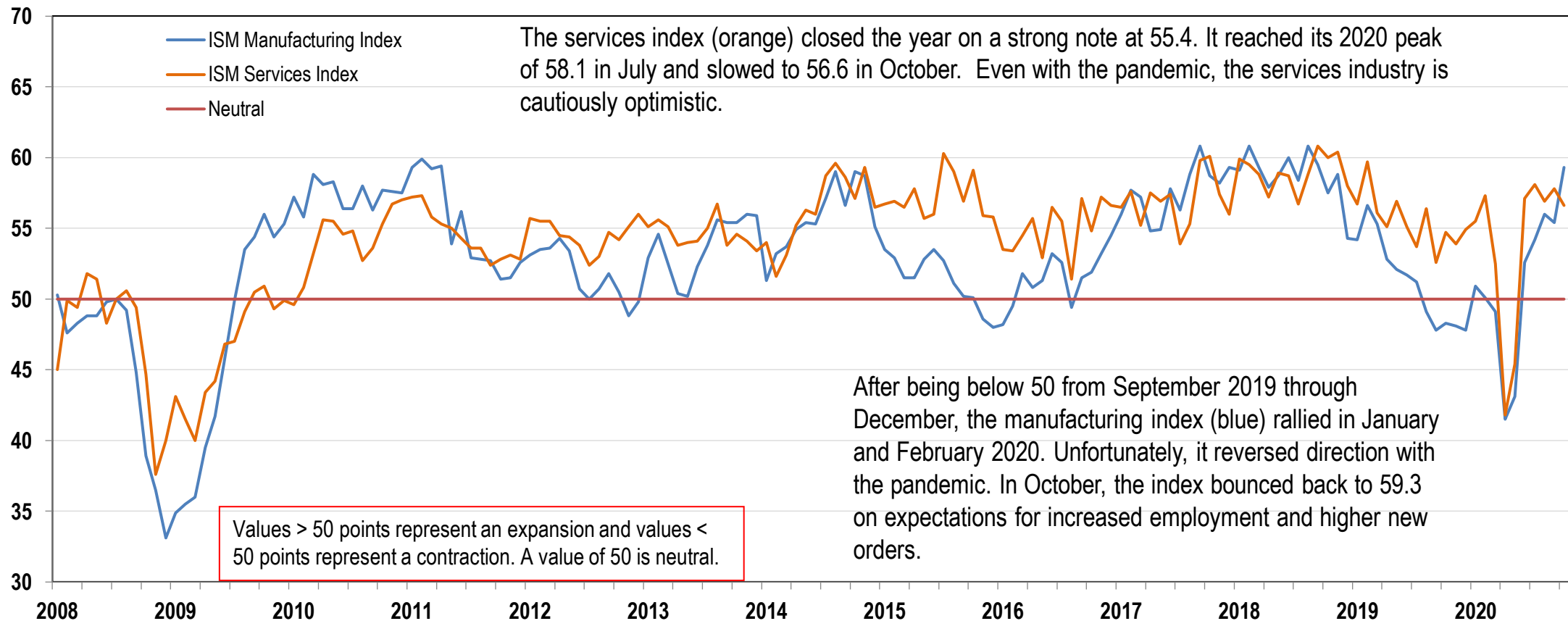


Source: NFIB, cber.co.

ISM PMI Composite Indices

Manufacturing vs. Services

ISM Manufacturing PMI vs. Services PMI Composite Indices



Source: Institute of Supply Management, cber.co

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U.S. Light Truck and Auto Sales and Advanced Retail Sales

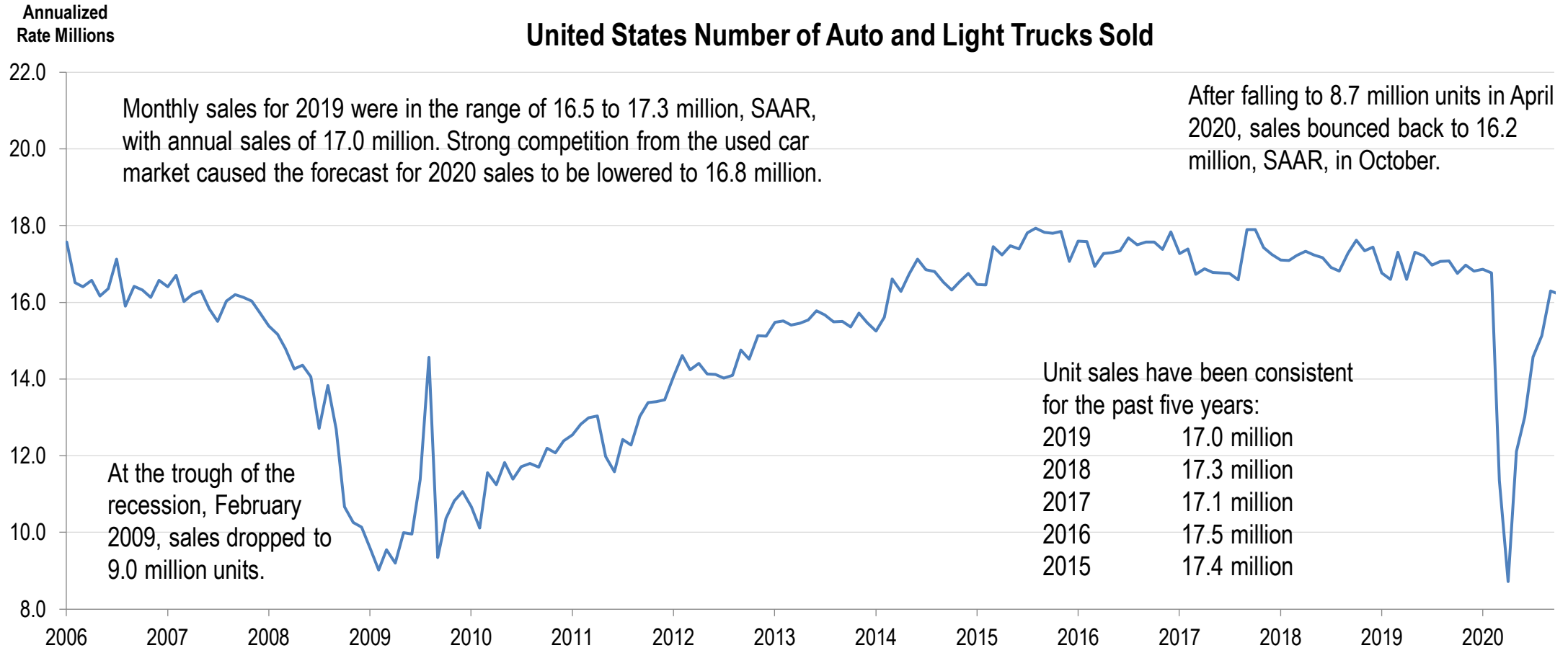
Key Points

Auto and light truck sales have rebounded quicker than anticipated.

The retail industry has been evolving in ways that have impacted employment, the number of brick-and-mortar establishments, and e-commerce. The lockdown for C-19 has accelerated some of these trends. U.S. sales rebounded quickly between May and October, in part because of the federal support programs.

U.S. Auto and Light Truck (ALT) Sales

Monthly (Annualized Rate Millions)

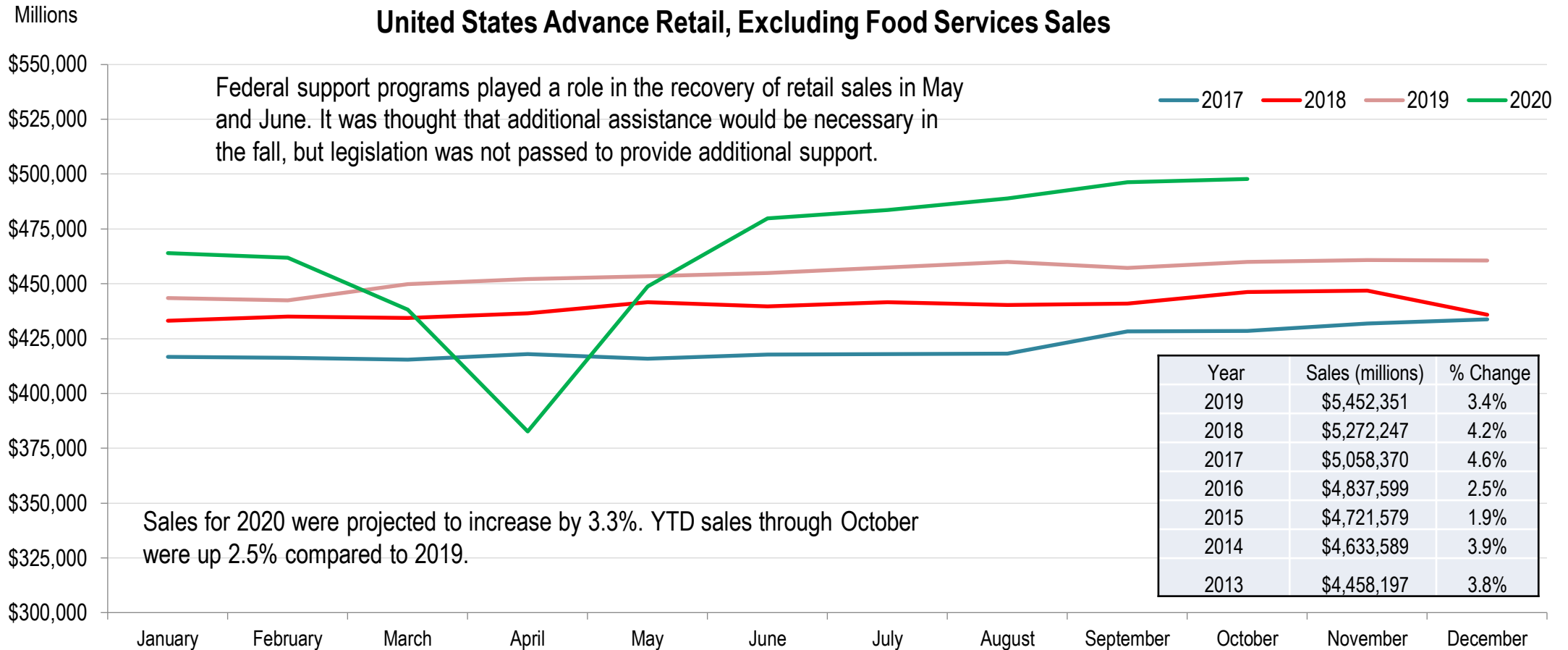


Source: FRED, Federal Reserve Bank of St. Louis, Seasonally Adjusted Annualized Rates (SAAR), cber.co.

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U.S. Advance Retail, Excluding Food Services Sales

Monthly



Source: U.S. Census Bureau, FRED, cber.co. Note: Not adjusted for inflation.

S&P 500 Index and WTI Crude Oil Prices

Key Points

The S&P Index continues to post gains compared to the closing level for December 31, 2019.

The price for a barrel of oil has declined because of lower demand. Oil was in the \$40 range through the second half of the year.

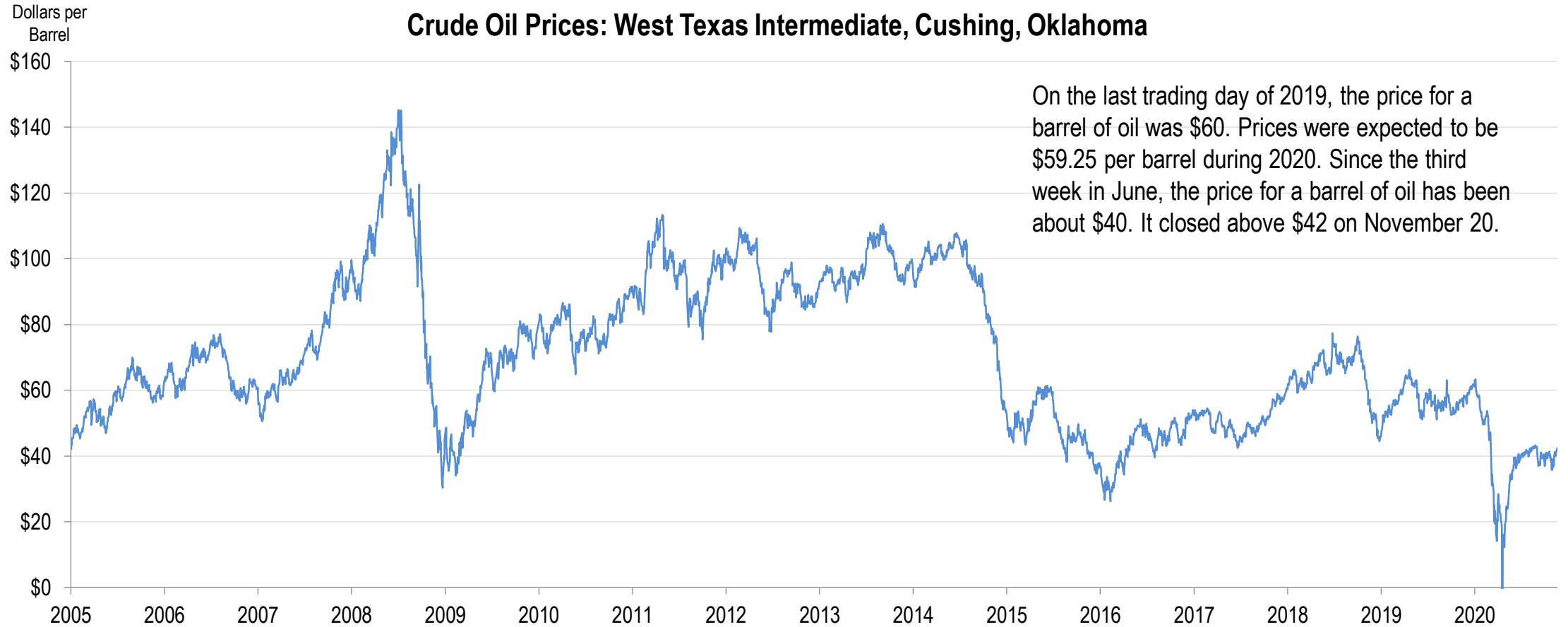
Standard and Poor's 500 Index



Source: FRED, S&P 500, cber.co.

Crude Oil Prices

West Texas Intermediate



Source: FRED, EIA, cber.co.

Polarization

United States

Key Points

A Gallup poll shows there was polarization during the Clinton and Bush presidential terms. It gradually got worse and increased significantly during the Obama and Trump eras.

Polarization – Largest Gaps in Presidential Approval

Republican vs. Democratic

Gallup polls show there was polarization during the Clinton and Bush terms. It continued to get worse under the leadership of Obama and Trump. Over time, this polarization has harmed society, business, and political decision making, and the performance of the economy.

Largest Gaps in Republican vs. Democratic Approval of the President				
	Year in office (dates)	% Approve, Republicans	% Approve, Democrats	Gap (pct. pts.)
Trump	3 (Jan '19-Jan '20)	89	7	82
Trump	2 (Jan '18-Jan '19)	87	8	79
Obama	8 (Jan '16-Jan '17)	12	89	77
Obama	4 (Jan '12-Jan '13)	10	86	76
G.W. Bush	4 (Jan '04-Jan '05)	91	15	76
Trump	1 (Jan '17-Jan '18)	83	8	75
Obama	7 (Jan '15-Jan '16)	10	83	73
G.W. Bush	5 (Jan '05-Jan '06)	86	14	72
Obama	5 (Jan '13-Jan '14)	11	82	71
Obama	6 (Jan '14-Jan '15)	9	79	70
G.W. Bush	6 (Jan '06-Jan '07)	79	9	70
Obama	2 (Jan '10-Jan '11)	13	81	68
Obama	3 (Jan '11-Jan '12)	12	80	68
G.W. Bush	7 (Jan '07-Jan '08)	73	7	66
Obama	1 (Jan '09-Jan '10)	23	88	65
Clinton	4 (Jan '96-Jan '97)	24	85	61

Source: Gallup, January 2019 and February 2020 (based on data for 1945-2020).
 Colorado-based Business and Economic Research <https://cber.co>

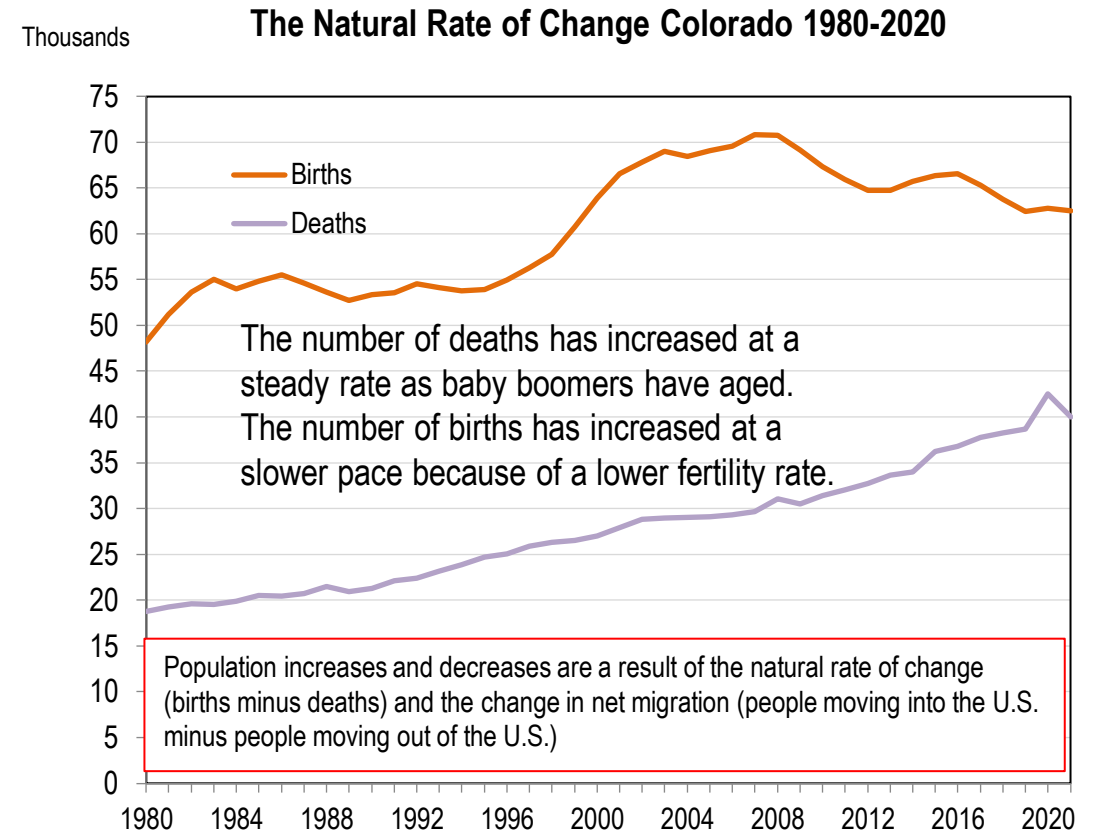
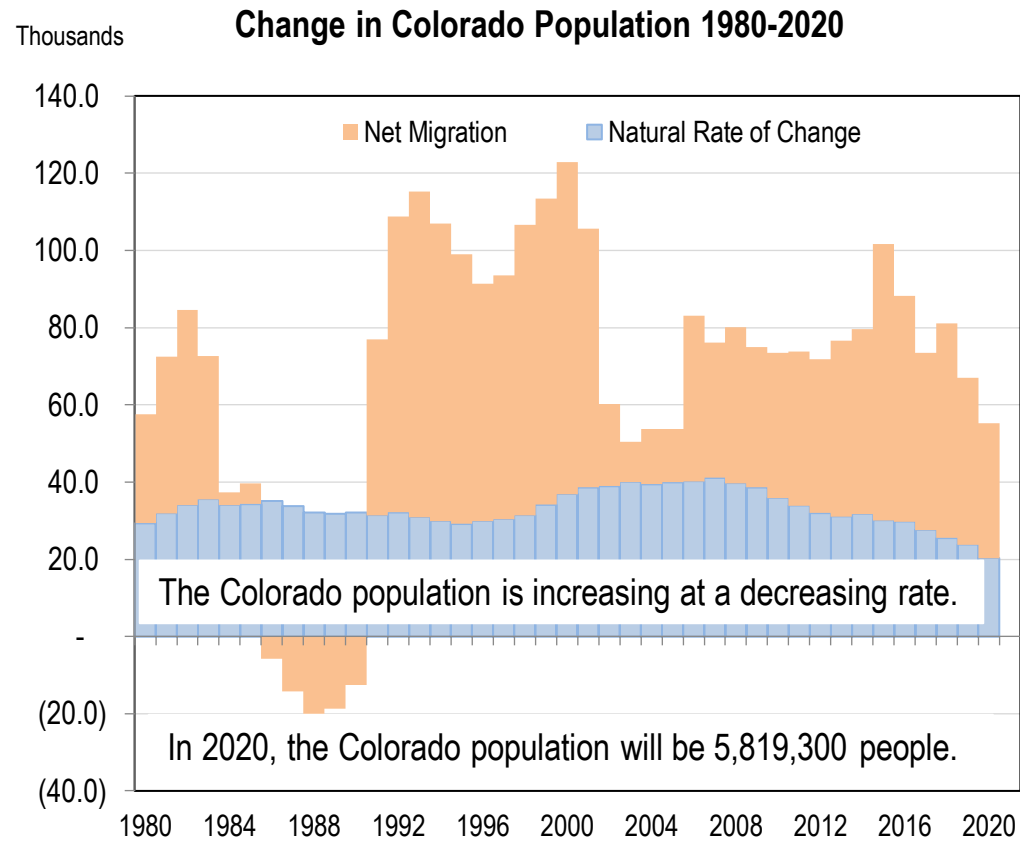
Colorado Population

Key Points

Colorado's population is increasing at a declining rate.

Colorado Population

Components of Change



Colorado Revised Employment Forecast for 2020

Best Case, Modest Growth, and Worst Case

Key Points

The January 2020 cber.co forecast called for Colorado to add 50,000 jobs in 2020. As a result of the pandemic, this forecast was revised with three recovery scenarios.

Best case recovery – Average annual employment will decrease by 104,500 to 114,500 in 2020. An average of 5,000 to 10,000 jobs will be added in November and December.

Modest growth scenario – Average annual employment will decrease by 114,500 to 124,500 in 2020. An average of 0 to 5,000 jobs will be added in November and December.

Worst case scenario – Average annual employment will decrease by at least 124,400 in 2020. An average of 0 to -5,000 jobs will be added in November and December.

2020 Colorado Employment Forecast Revision

Background, Assumptions, and Scenarios

Background for Forecast Revision

In early January, the cber.co 2020 Colorado economic forecast projected Colorado employment would increase by 50,000. All bets were off when the C-19 pandemic arrived and a lockdown was put in place.

In March, it was thought that the state employment might decline by 350,000 in 2020. Six weeks later, informal projections lowered the amount of decline to 250,000. On June 19, the Governor's Office of State Planning and Budgeting (OSPB) forecasted Colorado's employment would decline by 152,900 in 2020. This forecast called for an increase in employment of 47,300 in 2021. The OSPB September update is more optimistic about 2020, a decline of 134,300.

There are a lot of moving pieces that have made it difficult to understand changes in the economy. This revision to the cber.co Colorado employment forecast provides three scenarios for employment growth in 2020 to account for the current level of uncertainty.

Short-term Growth Sectors

Professional, scientific, and technical; manufacturing; educational services; management of companies (headquarters); financial activities; federal government; and warehousing.

Lagging Sectors

Leisure and hospitality (AER and AFS), state and local government (including education), transportation, extractive industries (oil and gas), and other services.

2020 Colorado Employment Forecast Revision

Background, Assumptions, and Scenarios

Best Case Recovery Scenario

This scenario projects an average monthly employment increase of 5,000 to 10,000 for November and December.

Colorado will have moderate success in containing the spread of C-19 and vaccinations will begin. Lockdowns and restrictions will be less severe than last spring. The chaos in Washington, D.C. will not be a disruption to the management of C-19 and the country's economic vitality.

2020

December 2020 year-end S.A. employment will be between -104,500 and -114,500. As a point of reference, Colorado lost 104,900 jobs in 2009 and 23,300 jobs in 2010.

Modest Recovery Scenario

This scenario projects an average monthly employment increase of 0 to 5,000 for November and December.

Colorado will have limited success in containing the spread of C-19. Lockdowns and restrictions will be less severe than last spring. The chaos in Washington D.C. will be a minor disruption to the management of C-19 and the country's economic vitality.

2020

December 2020 year-end S.A. employment will be between -114,500 and -124,500.

Worst Case Growth Recovery Scenario

This scenario projects an average monthly employment decrease of 0 to -5,000 for November and December.

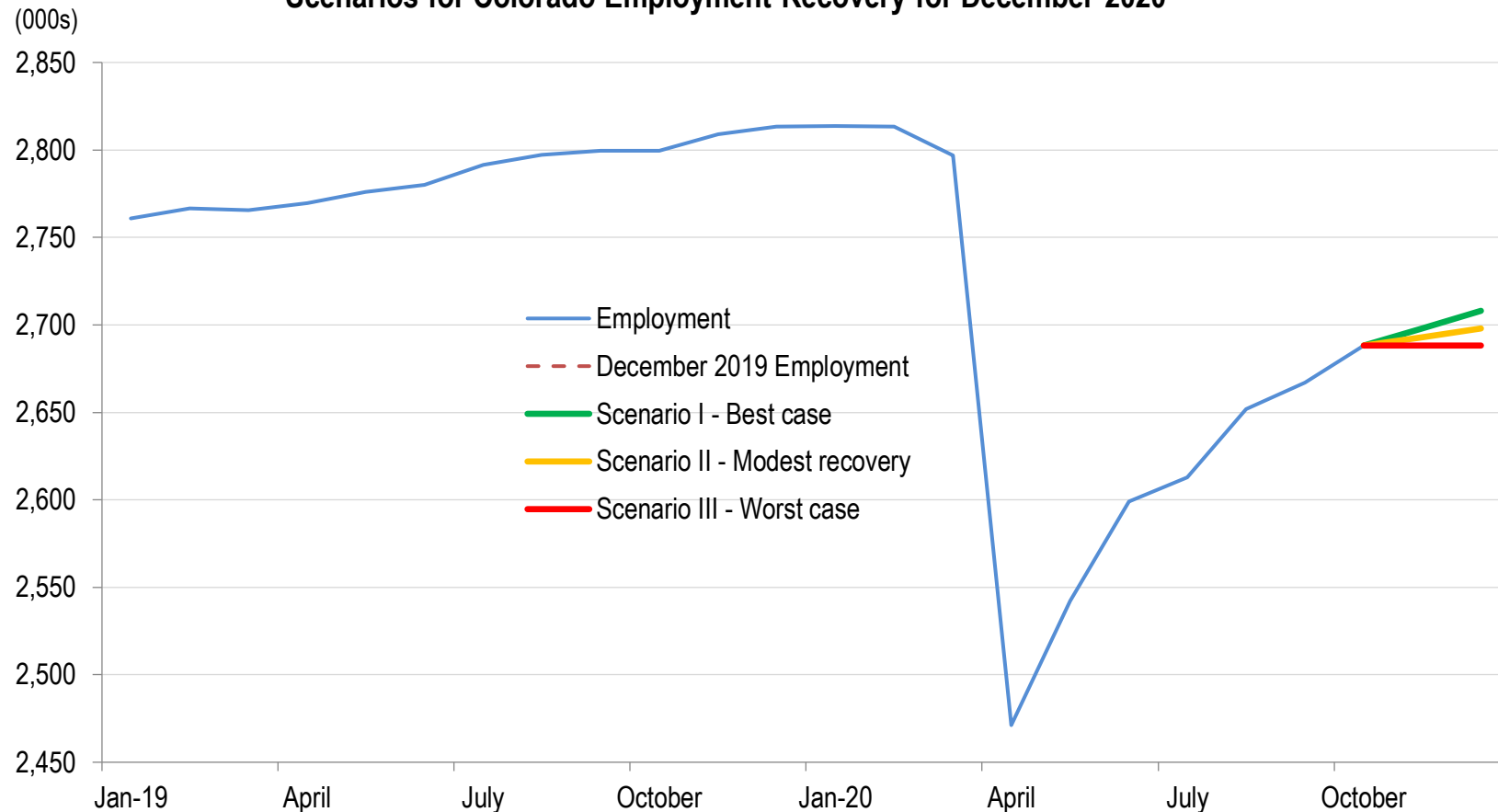
Colorado will not successfully contain the spread of C-19. Lockdowns and restrictions will approach the severity of the spring lockdowns. There will be pushback from the public against the lockdowns. The chaos in Washington D.C. will disrupt the management of C-19 and the country's economic vitality.

2020 and Recovery

December 2020 year-end S.A. employment will be between -124,500 and -134,500.

Scenarios for Wage and Salary Employment Recovery Colorado

Scenarios for Colorado Employment Recovery for December 2020



Scenarios for Recovery

There are three scenarios of average monthly employment for the recovery of Colorado wage and salary employment for November and December.

Scenario I (Green) An average of 5,000 to 10,000 jobs will be added in November and December.

Scenario II (Gold) An average of 0 to 5,000 jobs will be added per month in November and December.

Scenario III (Red) An average of 0 to -5,000 jobs will be added per month.

Source: Bureau of Labor Statistics, SA, and cber.co.

Colorado-based Business and Economic Research <https://cber.co>

Employment and Number of Unemployed, Recovery by MSA, and Recovery by Sector

Colorado

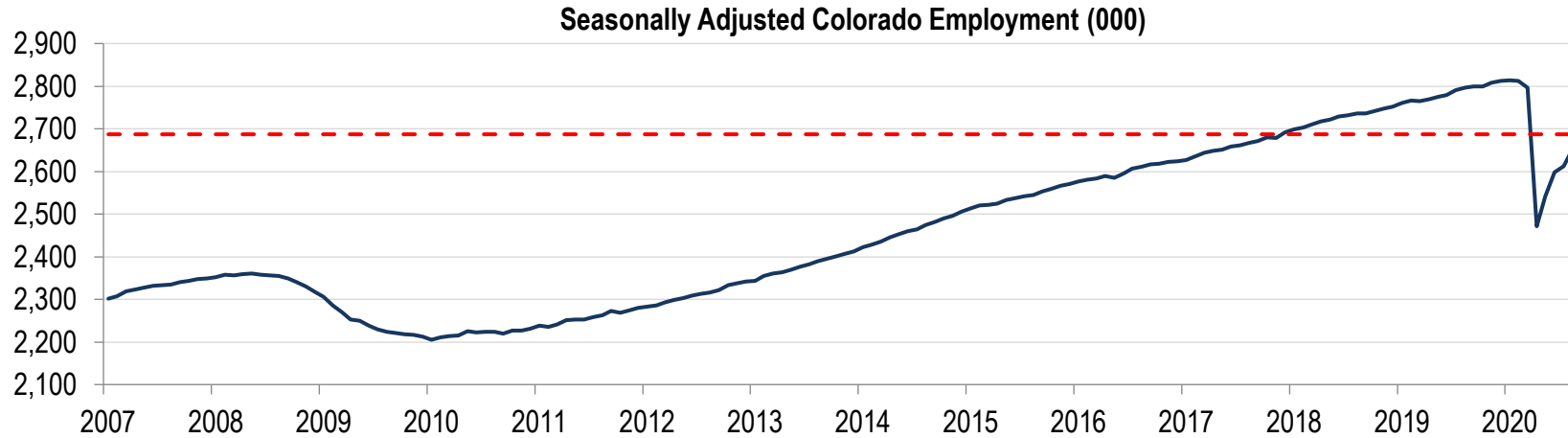
Key Points

As the wage and salary employment and the number of business applications have increased, the number of unemployed has declined.

Grand Junction, Pueblo, and Colorado Springs are leading the recovery for MSAs.

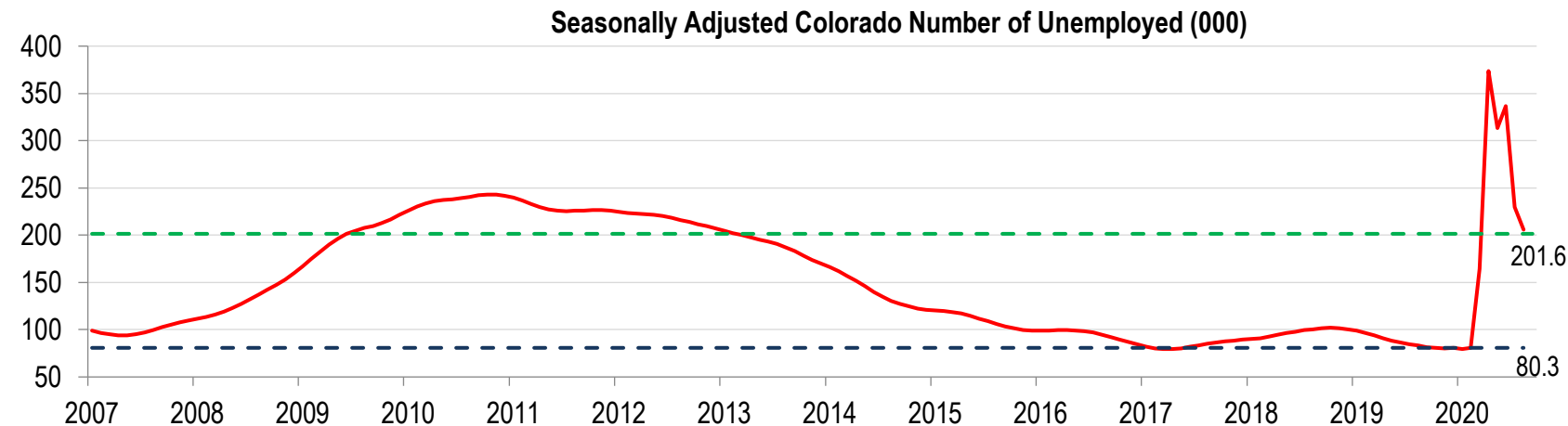
The leading sectors in the recovery are federal government, educational services, PST, and manufacturing.

Wage and Salary Employment and Unemployed Colorado



Colorado Employment

Colorado seasonally adjusted wage and salary employment was 2.69 million (red dotted line) in October. Employment for October was 95.5% of the December 2019 total. There were 125,400 fewer jobs in October. By comparison, Colorado employment in April (the trough) was 87.8% of December 2019 employment (2.81 million).



Colorado Unemployed

In October, the number of unemployed was 201,577 (red and green dotted lines). This value is 121,178 above the number of unemployed (blue dotted line) in December 2019. The last time the number of unemployed was at the December 2019 level was in 2001. The current number of unemployed (green dotted lines) is similar to 2013.

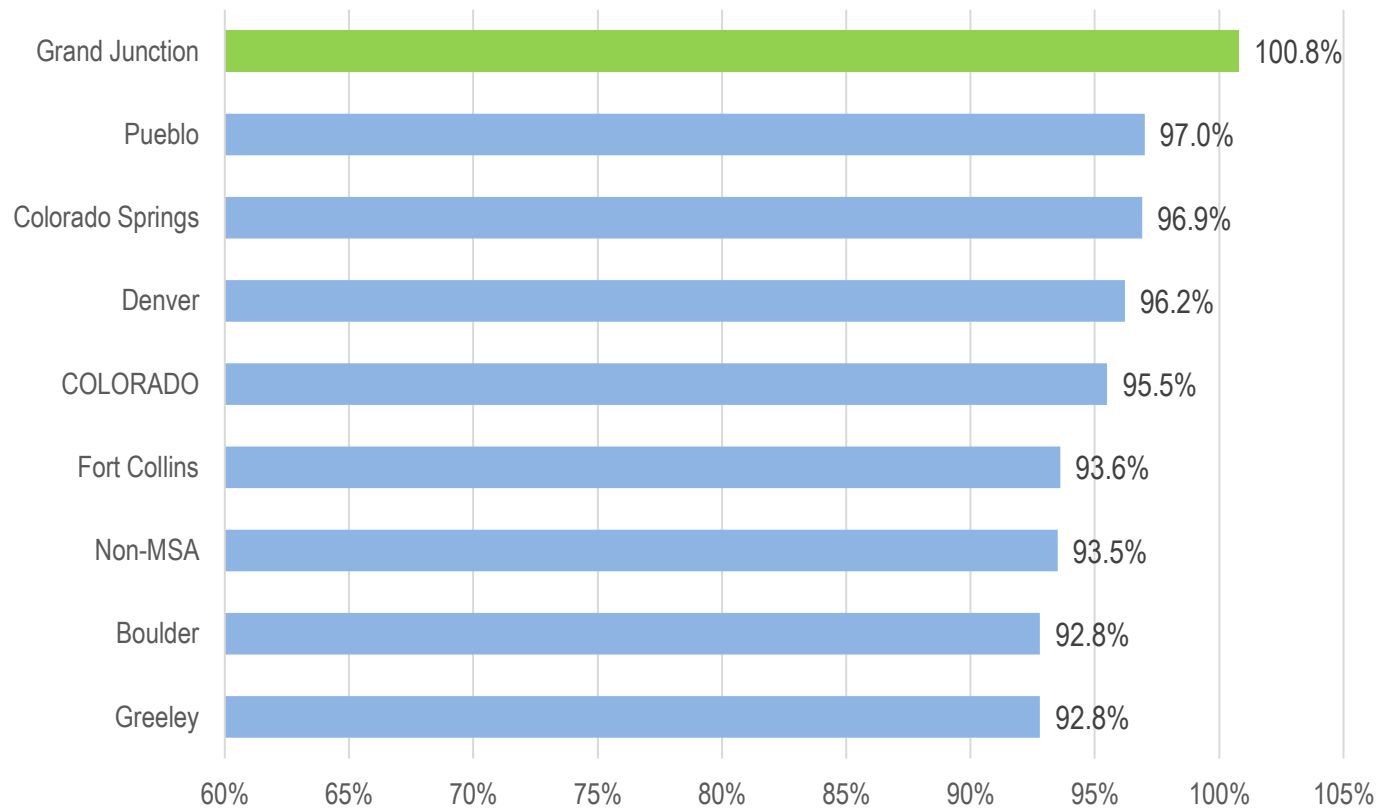
Source: Bureau of Labor Statistics and cber.co.

Colorado-based Business and Economic Research <https://cber.co>

Percentage Colorado Employment Recovery by MSA

October 2020 as a Percent of December 2019

Recovery by MSA



October /December Recovery

Area	Deficit (000s)	% of Total
Denver-Aurora-Lakewood	-58.8	46.9%
Non MSA (47 counties)	-21.7	17.3%
Boulder	-14.4	11.5%
Fort Collins	-11.4	9.1%
Colorado Springs	-9.5	7.6%
Greeley	-8.2	6.5%
Pueblo	-1.9	1.5%
Grand Junction	+0.5	-0.4%
TOTAL	-125.4	100.0%

The most current Colorado MSA employment shows that almost 47% of the state's shortfall is in the ten-county Denver MSA. Just over 17% of the deficit is in the 47 non-metro counties, and 11% is in Boulder.

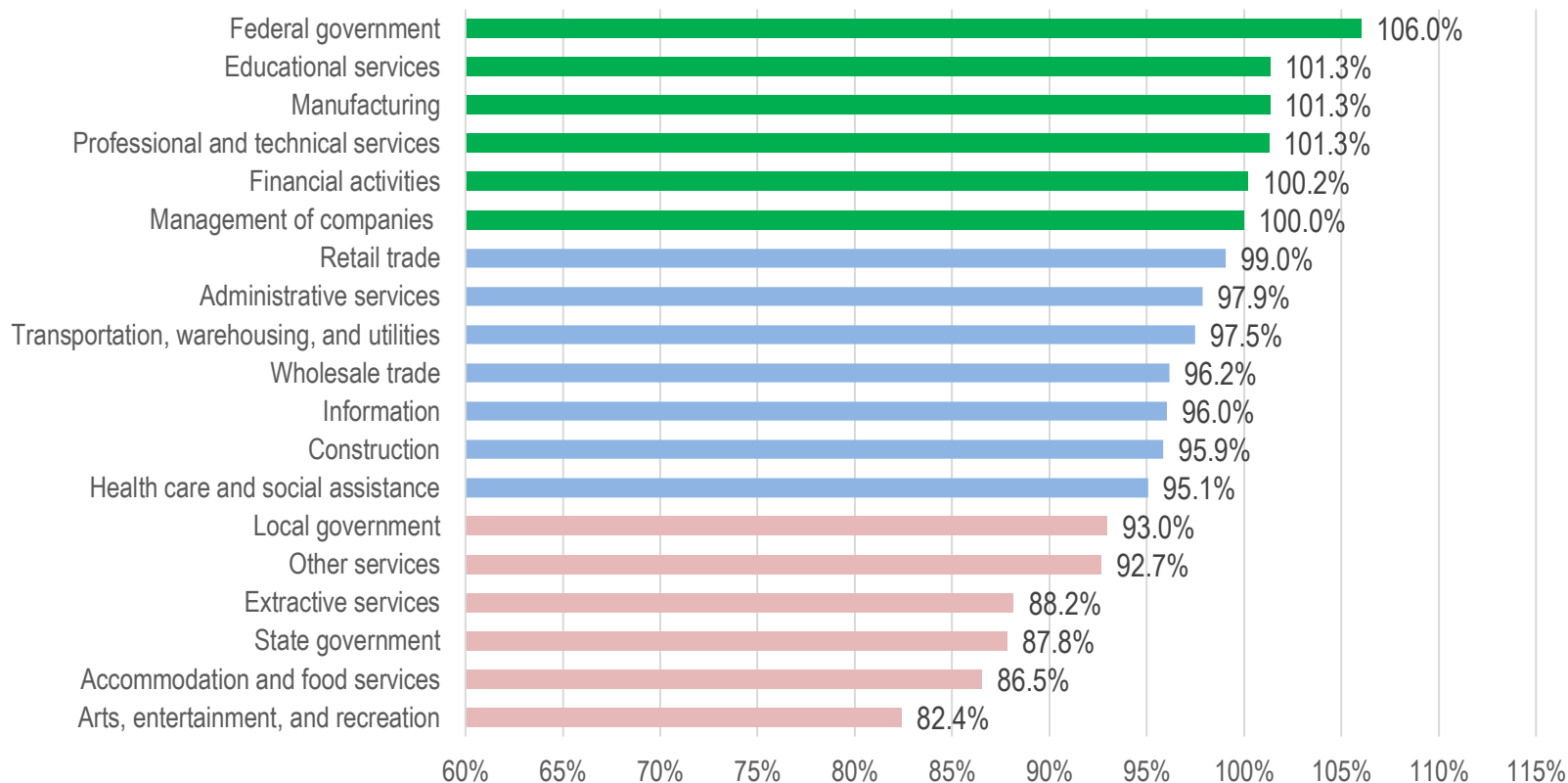
Source: Bureau of Labor Statistics and cber.co.

Colorado-based Business and Economic Research <https://cber.co>

Percentage Colorado Employment Recovery by Sector

October 2020 as Percent of December 2019

Recovery by Sector



Recovery

This chart shows October 2020 sector employment as a percentage of December 2019 sector employment to illustrate the difference in the rate of recovery for each sector. Total October employment is 95.5% of the December 2019 value.

Leaders and Laggards

October employment for the federal government, private education, manufacturing, financial activities, and MCE (green) are in positive territory.

The sectors that are a drag on the recovery (red) are leisure and hospitality (AFS and AER), extractive industries, other services, and state and local government (light red).

Source: Bureau of Labor Statistics and cber.co.

Summary of Recovery

Employment in Thousands

25% of Dec. Employment

Leading Sectors

Sector	Dec. 2019	Oct 2020	Oct Minus Dec
Federal Government	53.0	56.2	+3.2
Educational Services	44.6	45.2	+0.6
Manufacturing	150.1	152.1	+2.0
Professional and Scientific	240.7	243.8	+3.1
Financial Activities	173.7	174.1	+0.4
Mgmt. of Companies	43.5	43.5	0.0
Total	705.6	714.9	+9.3



26% of Dec. Employment

Next Wave of Leading Sectors

Sector	Dec. 2019	Oct 2020	Oct Minus Dec
Retail Trade	273.2	270.6	-2.6
Administrative Services	163.4	159.9	-3.5
Transp., Wrhousing, and Util.	99.1	96.6	-2.5
Wholesale Trade	111.8	107.5	-4.3
Information	75.8	72.8	-3.0
Total	723.3	707.4	-15.9



32% of Dec. Employment

Lagging Sectors

Sector	Dec. 2019	Oct 2020	Oct Minus Dec
State Government	133.1	116.9	-16.2
Local Government	273.2	254.0	-19.2
Other Services	113.2	104.9	-8.3
Mining and Logging	27.9	24.6	-3.3
Accommodation and Food	288.4	249.6	-38.8
Arts, Ent. and Recreation	58.0	47.8	-10.2
Total	893.8	797.8	-96.0



17% of Dec. Employment

Labor Shortages

Sector	Dec. 2019	Oct 2020	Oct Minus Dec
Construction	181.1	173.6	-7.5
Health Care	309.7	294.4	-15.3
Total	490.8	468.0	-22.8



Total Employment

	Dec. 2019	Oct 2020	Oct Minus Dec
Total Employment	2,813.5	2,688.1	-125.4

Source: Bureau of Labor Statistics and cber.co.

Colorado-based Business and Economic Research <https://cber.co>

Colorado Metrics

Building Permits, Retail Sales, DIA Passengers, and Oil Production

Key Points

The number of permits issued for single-family and multifamily housing in 2020 is up slightly compared to 2019.

Retail sales for 2020 are comparable to 2019.

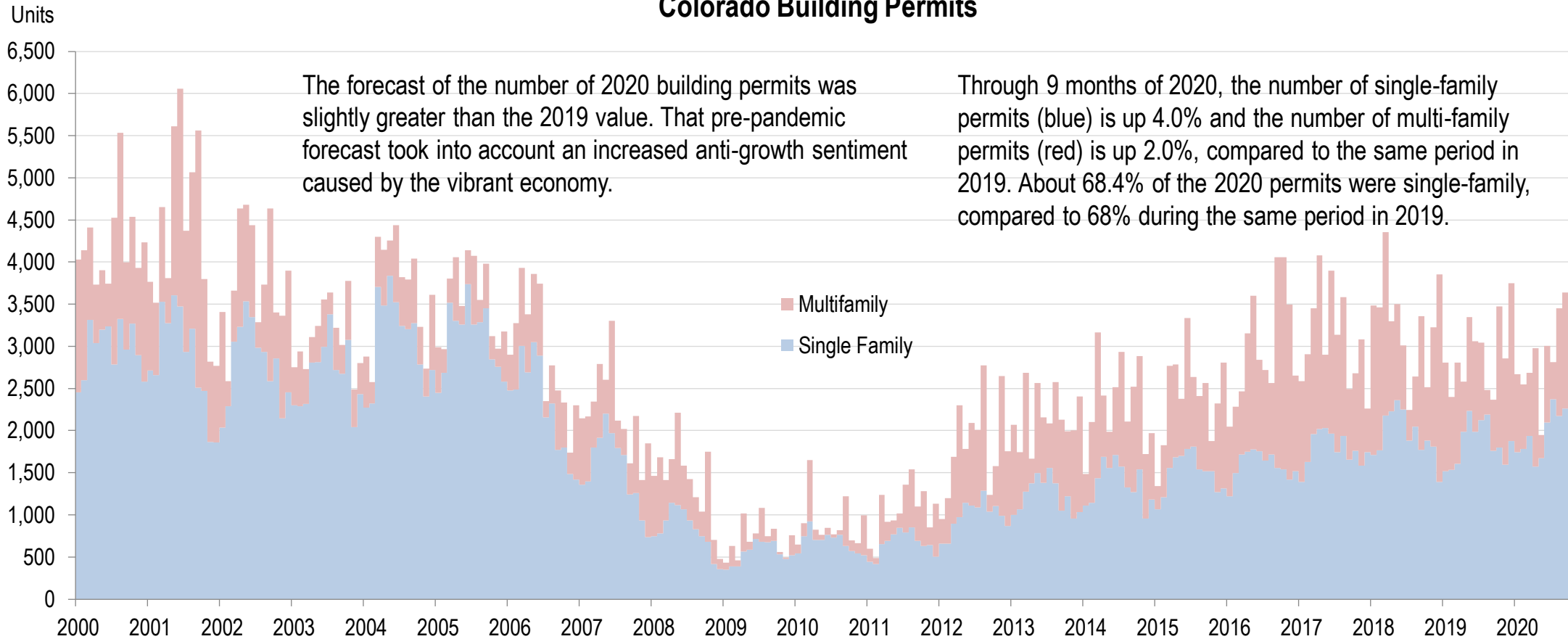
In 2020, the number of passengers at DIA is about half of 2019.

The production of oil has declined because of regulations and reduced demand.

Colorado Residential Building Permits

Units

Colorado Building Permits

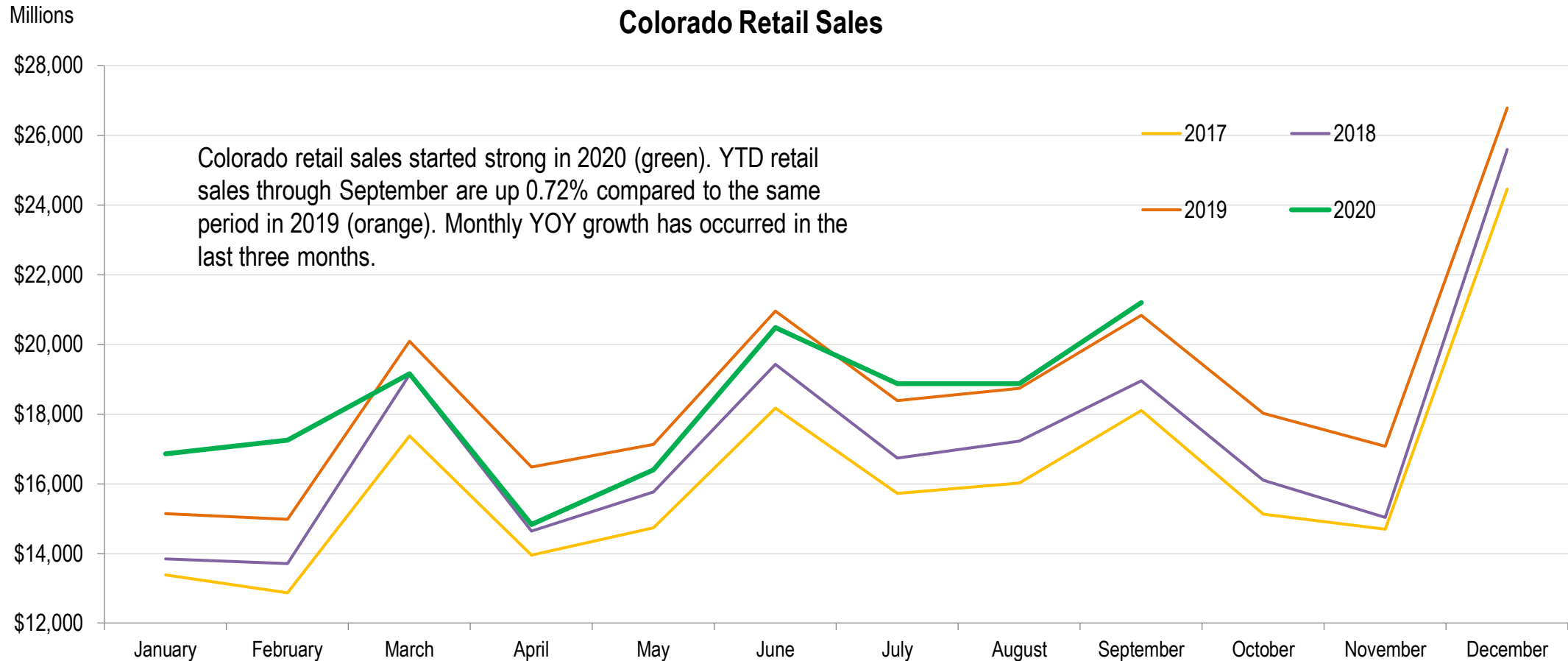


Source: TAMU Real Estate Center, U.S. Census Bureau, cber.co.

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Colorado Retail Sales

Monthly



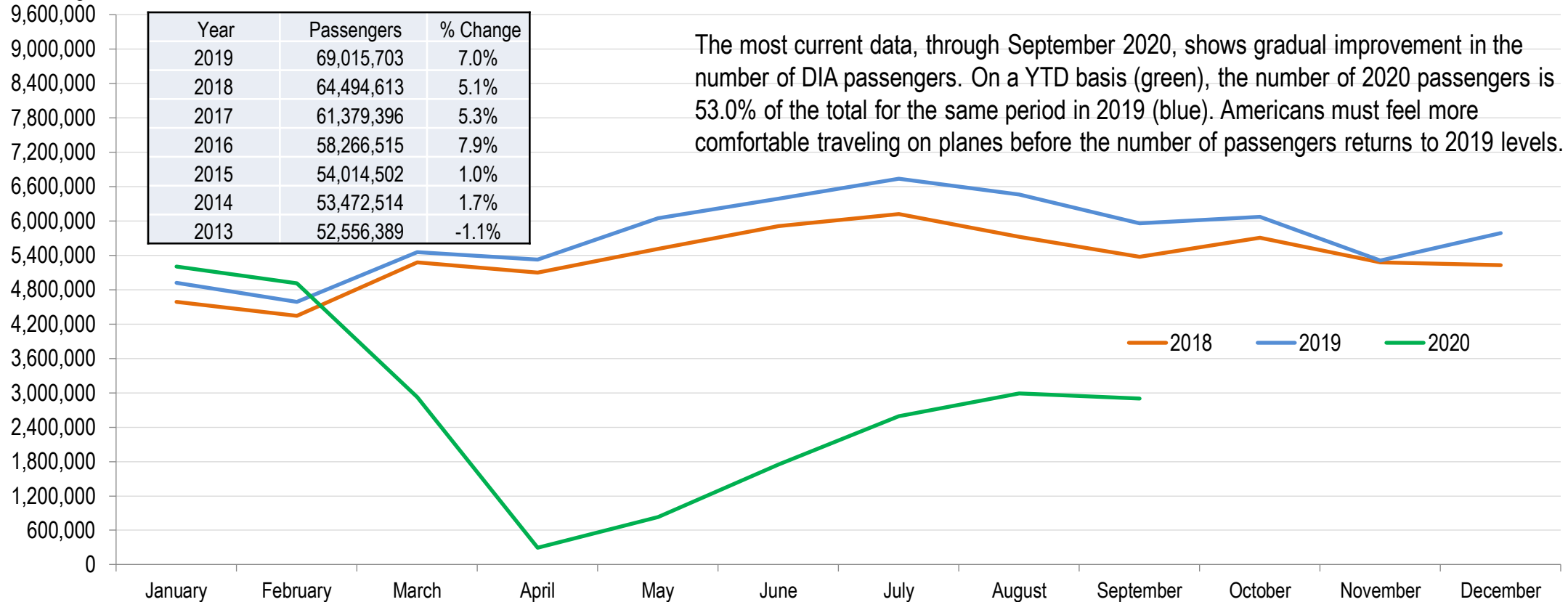
Source: Colorado Department of Revenue, <https://cdor.colorado.gov/retail-sales-reports>, cber.co. Note: Not adjusted for inflation.
 Colorado-based Business and Economic Research <https://cber.co>

Denver International Airport Passengers

Monthly

DIA Passengers

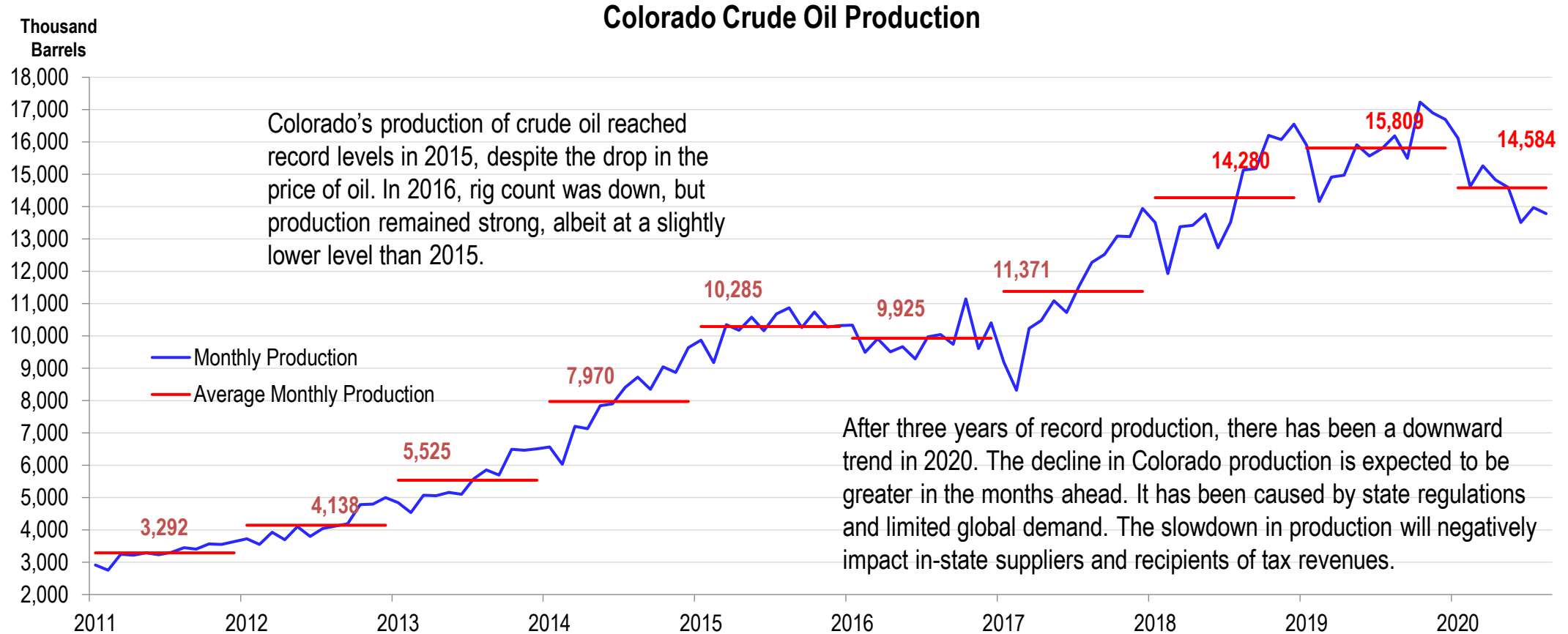
Passengers



Source: Fly-Denver.com, cber.co.

Colorado Field Production of Crude Oil

2011 to 2020 (Thousand Barrels)



Source: EIA, cber.co.

Summary

Key Points

The United States and Colorado are recovering at different rates because of wide-ranging policies, leadership priorities, resources, number of C-19 cases, and industry mix. Colorado has the 21st best unemployment rate in the country.

Reasons to be Optimistic

The economy is poised to rebound in 2021.

There are sectors of the Colorado economy that will add jobs in 2020. Other sectors will transition to positive territory in the near-term. These sectors employ about half the workers in the state.

The remaining sectors will return to strength when the healthcare and construction labor shortage is addressed, C-19 is contained, and Americans feel confident about traveling again.

Reasons for Concern

There are many reasons for concern, but C-19 is at the top of the list because it is a dangerous virus. At the same time, the decision to turn C-19 into a campaign issue has caused severe C-19 fatigue, fear, and anger, thus further dividing the U.S.

It is essential for the incoming administration to effectively manage the pandemic and economic recovery.

Coloradans have a lot to be thankful for, despite the chaos and stress.

Happy Thanksgiving!

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Review of Colorado and United States Economy
Based on October Employment Data

This analysis is for informational purposes only. Any opinions or interpretations of data are those of the presenter. As such, they do not represent the viewpoints of any group or particular organization.

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Gary Horvath has produced annual employment forecasts of the state economy for over 30 years. They have been supplemented by monthly economic updates and indices that track economic performance over the short term. In addition, he has directed three statewide analyses that included reviews of all 64 county economies.

Horvath was the principal investigator for a state and federally funded project to prepare a nanotechnology roadmap for Colorado. As well, he was a co-founder of the Colorado Photonics Industry Association, a trade group for Colorado's Photonics cluster. Horvath has been an active board member of the group since its inception.

Horvath has also served on the Board of Directors for the Economic Development Council of Colorado, Northwest Denver Business Partnership, Adams County Economic Development, and Broomfield Economic Development Corporation. Horvath has also been the chair of the photonics/electronics committee in the Governor's Office of Economic Development and International Trade early stage and proof of concept grant program.